

## U.S. Income Tax Return for an S Corporation

OMB No. 1545-0130

Department of the Treasury  
Internal Revenue Service

▶ Do not file this form unless the corporation has filed Form 2553

to elect to be an S corporation.

▶ See separate instructions.

2005

For calendar year 2005, or tax year beginning

, 2005, and ending

, 20

A Effective date of S election

01-01-1999

B Business code number (see instructions)

313000

Use the IRS label. Otherwise, print or type.

Name

PORCH SWINGS AND LAWN CHAIRS INC

Number, street, and room or suite no. If a P.O. box, see instructions.

16665 253RD WAY

City or town, state, and ZIP code

BOSTON

MA 02105

C Employer identification number

40-5757575

D Date incorporated

07-02-1998

E Total assets (see instructions)

\$ 66,896,469

F Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return

G Enter number of shareholders in the corporation at end of the tax year . . . . . 15

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1 a	Gross receipts or sales	48,294,468	b	Less returns and allowances		c Bal	1c	48,294,468
	2	Cost of goods sold (Schedule A, line 8)						2	20,428,536
	3	Gross profit. Subtract line 2 from line 1c						3	27,865,932
	4	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)						4	15,000
	5	Other income (loss) (attach statement)				STATEMENT # 1		5	5,000,000
	6	Total income (loss). Add lines 3 through 5						6	32,880,932
Deductions (see the instructions for limitations)	7	Compensation of officers						7	225,000
	8	Salaries and wages (less employment credits)						8	775,386
	9	Repairs and maintenance						9	97,622
	10	Bad debts						10	
	11	Rents						11	84,000
	12	Taxes and licenses						12	83,265
	13	Interest						13	10,000,000
	14 a	Depreciation (attach Form 4562)		14a	687,123				
	b	Depreciation claimed on Schedule A and elsewhere on return		14b					
	c	Subtract line 14b from line 14a					14c	687,123	
	15	Depletion (Do not deduct oil and gas depletion.)					15		
	16	Advertising					16	500,000	
	17	Pension, profit-sharing, etc., plans					17		
	18	Employee benefit programs					18		
	19	Other deductions (attach statement)				STATEMENT # 2	19	14,551,272	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19					20	27,003,668		
21	Ordinary business income (loss). Subtract line 20 from line 6					21	5,877,264		
Tax and Payments	22	Tax: a Excess net passive income tax (attach statement)	22a						
	b	Tax from Schedule D (Form 1120S)	22b						
	c	Add lines 22a and 22b (see the instructions for additional taxes)					22c		
	23	Payments: a 2005 estimated tax payments and amount applied from 2004 return	23a						
	b	Tax deposited with Form 7004	23b						
	c	Credit for Federal tax paid on fuels (attach Form 4136)	23c						
	d	Add lines 23a through 23c					23d		
	24	Estimated tax penalty (see instructions). Check if Form 2220 is attached					24		
	25	Tax due. If line 23d is smaller than the total of lines 22c and 24, enter amount owed					25		
	26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid					26		
27	Enter amount of line 26 you want: Credited to 2006 estimated tax				Refunded	27			

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☒ No

Preparer's signature

Date

Check if self-employed ☐

Preparer's SSN or PTIN

Paid Preparer's Use Only

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 1120S (2005)



**Schedule A Cost of Goods Sold** (see instructions)

1	Inventory at beginning of year	1	3,854,464
2	Purchases	2	19,105,014
3	Cost of labor	3	1,775,099
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement)	5	
6	<b>Total.</b> Add lines 1 through 5	6	24,734,577
7	Inventory at end of year	7	4,306,041
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2	8	20,428,536

9 a Check all methods used for valuing closing inventory: (i) ☒ Cost as described in Regulations section 1.471-3  
(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4  
(iii) ☐ Other (specify method used and attach explanation) \_\_\_\_\_

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d** \_\_\_\_\_

e If property is produced or acquired for resale, do the rules of Section 263A apply to the corporation? ☐ Yes ☐ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No

If "Yes," attach explanation.

**Schedule B Other Information** (see instructions)

	Yes	No
1 Check method of accounting: (a) <input type="checkbox"/> Cash (b) <input checked="" type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) _____		
2 See the instructions and enter the: (a) Business activity <b>MANUFACTURING</b> (b) Product or service <b>LAWN FURNITURE</b>		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name, address, and employer identification number and (b) percentage owned <b>SEE ATT-04</b>	<input checked="" type="checkbox"/>	
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?	<input checked="" type="checkbox"/>	
5 Has the corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable transaction?	<input checked="" type="checkbox"/>	
6 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input checked="" type="checkbox"/> If checked, the corporation may have to file <b>Form 8281</b> , Information Return for Publicly Offered Original Issue Discount Instruments.		
7 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years <b>\$</b> _____		
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year <input checked="" type="checkbox"/>		
9 Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1.		<input checked="" type="checkbox"/>

**Note:** If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach

**Schedule N (Form 1120), Foreign Operations of U.S. Corporations**, to this return. See Schedule N for details.

**Schedule K Shareholders' Shares of Income, Deductions, Credits, etc.**

Shareholders' Pro Rata Share Items		Total amount	
1	Ordinary business income (loss) (page 1, line 21)	1	5,877,264
2	Net rental real estate income (loss) (attach Form 8825)	2	27,867
3a	Other gross rental income (loss)	3a	117,650
b	Expenses from other rental activities (attach statement) <b>STATEMENT # 6</b>	3b	109,190
c	Other net rental income (loss). Subtract line 3b from line 3a	3c	8,460
4	Interest income	4	17,963
5	Dividends: a Ordinary dividends	5a	5,287
b	Qualified dividends	5b	1,000
6	Royalties	6	15,000
7	Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	5,250
8a	Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	7,750
b	Collectibles (28%) gain (loss)	8b	2
c	Unrecaptured section 1250 gain (attach statement)	8c	
9	Net section 1231 gain (loss) (attach Form 4797)	9	25,600
10	Other income (loss) (see instructions) <b>Type STMT-K-10</b>	10	3,078



		Shareholders' Pro Rata Share Items (continued)	Total amount	
Deductions	<b>11</b>	Section 179 deduction (attach Form 4562) . . . . .	<b>11</b>	<b>34,764</b>
	<b>12a</b>	Contributions . . . . .	<b>12a</b>	<b>100,000</b>
	<b>b</b>	Investment interest expense . . . . .	<b>12b</b>	
	<b>c</b>	Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	<b>12c(2)</b>	
	<b>d</b>	Other deductions (see instructions) . . . . . Type ▶	<b>12d</b>	
Credits & Credit Recapture	<b>13a</b>	Low-income housing credit (section 42(j)(5)) . . . . .	<b>13a</b>	
	<b>b</b>	Low-income housing credit (other) . . . . .	<b>13b</b>	
	<b>c</b>	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468) . . . . .	<b>13c</b>	
	<b>d</b>	Other rental real estate credits (see instructions) . . . . . Type ▶	<b>13d</b>	
	<b>e</b>	Other rental credits (see instructions) . . . . . Type ▶	<b>13e</b>	
	<b>f</b>	Credit for alcohol used as fuel (attach Form 6478) . . . . .	<b>13f</b>	
	<b>g</b>	Other credits and credit recapture (see instructions) Type ▶ STATEMENT # 12	<b>13g</b>	<b>20,000</b>
Foreign Trans- actions	<b>14a</b>	Name of country or U.S. possession ▶		
	<b>b</b>	Gross income from all sources . . . . .	<b>14b</b>	
	<b>c</b>	Gross income sourced at shareholder level . . . . .	<b>14c</b>	
		Foreign gross income sourced at corporate level:		
	<b>d</b>	Passive . . . . .	<b>14d</b>	
	<b>e</b>	Listed categories (attach statement) . . . . .	<b>14e</b>	
	<b>f</b>	General limitation . . . . .	<b>14f</b>	
		Deductions allocated and apportioned at shareholder level:		
	<b>g</b>	Interest expense . . . . .	<b>14g</b>	
	<b>h</b>	Other . . . . .	<b>14h</b>	
		Deductions allocated and apportioned at corporate level to foreign source income:		
	<b>i</b>	Passive . . . . .	<b>14i</b>	
	<b>j</b>	Listed categories (attach statement) . . . . .	<b>14j</b>	
	<b>k</b>	General limitation . . . . .	<b>14k</b>	
	Other information:			
<b>l</b>	Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . .	<b>14l</b>		
<b>m</b>	Reduction in taxes available for credit (attach statement) . . . . .	<b>14m</b>		
<b>n</b>	Other foreign tax information (attach statement) . . . . .			
Alternative Minimum Tax (AMT) Items	<b>15a</b>	Post-1986 depreciation adjustment . . . . .	<b>15a</b>	
	<b>b</b>	Adjusted gain or loss . . . . .	<b>15b</b>	
	<b>c</b>	Depletion (other than oil and gas) . . . . .	<b>15c</b>	
	<b>d</b>	Oil, gas, and geothermal properties-gross income . . . . .	<b>15d</b>	
	<b>e</b>	Oil, gas, and geothermal properties-deductions . . . . .	<b>15e</b>	
	<b>f</b>	Other AMT items (attach statement) . . . . .	<b>15f</b>	
Items Affecting Shareholder Basis	<b>16a</b>	Tax-exempt interest income . . . . .	<b>16a</b>	<b>17,000</b>
	<b>b</b>	Other tax-exempt income . . . . .	<b>16b</b>	
	<b>c</b>	Nondeductible expenses . . . . .	<b>16c</b>	<b>35,000</b>
	<b>d</b>	Property distributions . . . . .	<b>16d</b>	
	<b>e</b>	Repayment of loans from shareholders . . . . .	<b>16e</b>	
Other Information	<b>17a</b>	Investment income . . . . .	<b>17a</b>	
	<b>b</b>	Investment expenses . . . . .	<b>17b</b>	
	<b>c</b>	Dividend distributions paid from accumulated earnings and profits . . . . .	<b>17c</b>	
	<b>d</b>	Other items and amounts (attach statement) . . . . .		
	<b>e</b>	<b>Income/loss reconciliation.</b> (Required only if Schedule M-1 must be completed.) Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l . . . . .	<b>17e</b>	<b>5,858,755</b>



**Note:** The corporation is not required to complete Schedules L and M-1 if question 9 of Schedule B is answered "Yes."

<b>Schedule L Balance Sheets per Books</b>		Beginning of tax year		End of tax year	
<b>Assets</b>		(a)	(b)	(c)	(d)
1	Cash . . . . .		1,203,400		856,473
2 a	Trade notes and accounts receivable . . . .	2,773,465		3,487,556	
b	Less allowance for bad debts . . . . .		2,773,465		3,487,556
3	Inventories . . . . .		3,854,464		4,306,041
4	U.S. government obligations . . . . .				
5	Tax-exempt securities . . . . .				
6	Other current assets (attach statement) . .		375,000		425,000
7	Loans to shareholders . . . . .		299,500		27,863
8	Mortgage and real estate loans . . . . .				
9	Other investments (attach statement) . . . .		1,653,500		1,653,500
10 a	Buildings and other depreciable assets . . .	48,605,762		55,395,503	
b	Less accumulated depreciation . . . . .	14,566,858	34,038,904	15,447,960	39,947,543
11 a	Depletable assets . . . . .				
b	Less accumulated depletion . . . . .				
12	Land (net of any amortization) . . . . .		16,075,000		16,075,000
13 a	Intangible assets (amortizable only) . . . .				
b	Less accumulated amortization . . . . .				
14	Other assets (attach statement) . . . . .		117,493		117,493
15	Total assets . . . . .		60,390,726		66,896,469
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable . . . . .		1,436,765		1,765,436
17	Mortgages, notes, bonds payable in less than 1 year . .		1,376,857		2,757,689
18	Other current liabilities (attach statement) . .		15,233		27,866
19	Loans from shareholders . . . . .		150,000		45,557
20	Mortgages, notes, bonds payable in 1 year or more . .		6,776,593		5,776,593
21	Other liabilities (attach statement) . . . . .		29,766		15,788
22	Capital stock . . . . .		4,800,000		4,800,000
23	Additional paid-in capital . . . . .		45,200,000		45,200,000
24	Retained earnings . . . . .		880,512		6,782,540
25	Adjustments to shareholders' equity (attach statement)				
26	Less cost of treasury stock . . . . .		( 275,000 )		( 275,000 )
27	Total liabilities and shareholders' equity . . .		60,390,726		66,896,469

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

1	Net income (loss) per books . . . . .	5,858,755	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize): _____		a	Tax-exempt interest \$ _____	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14I (itemize):		6	Deductions included on Schedule K, lines 1 through 12, and 14I, not charged against book income this year (itemize):	
a	Depreciation \$ _____		a	Depreciation \$ _____	
b	Travel and entertainment \$ _____		7	Add lines 5 and 6 . . . . .	
4	Add lines 1 through 3 . . . . .	5,858,755	8	Income (loss) (Schedule K, line 17e). Line 4 less line 7 . . . . .	5,858,755

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year . . . . .	4,452,260	
2	Ordinary income from page 1, line 21 . . . . .	5,877,264	
3	Other additions . . . . .		
4	Loss from page 1, line 21 . . . . .	( )	
5	Other reductions . . . . .	( )	
6	Combine lines 1 through 5 . . . . .	10,329,524	
7	Distributions other than dividend distributions .	4,000,000	
8	Balance at end of tax year. Subtract line 7 from line 6 .	6,329,524	



SCHEDULE D
(Form 1120S)

Capital Gains and Losses and Built-In Gains

OMB No. 1545-0130

Department of the Treasury
Internal Revenue Service

Attach to Form 1120S.

See separate instructions.

2005

Name
PORCH SWINGS AND LAWN CHAIRS INC

Employer identification number
40-5757575

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

Table with 6 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Sales price, (e) Cost or other basis, (f) Gain or (loss). Includes lines 1-6 for short-term capital gains and losses.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

Table with 6 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Sales price, (e) Cost or other basis, (f) Gain or (loss). Includes lines 7-13 for long-term capital gains and losses.

Part III Built-In Gains Tax (See instructions before completing this part.)

Table with 3 columns: Line number, Description, and Amount. Includes lines 14-21 for built-in gains tax calculations.



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number	40-5757575
<b>B</b> Corporation's name, address, city, state, and ZIP code	PORCH SWINGS AND LAWN CHAIRS INC 16665 253RD WAY BOSTON MA 02105
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/> Tax shelter registration number, if any	
<b>E</b> <input type="checkbox"/> Check if Form 8271 is attached	
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number	123-45-6789
<b>G</b> Shareholder's name, address, city, state and ZIP code	ONE 1 MAIN ST BOSTON MA 02105
<b>H</b> Shareholder's percentage of stock ownership for tax year	10.00000 %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss)	<b>13</b>	Credits & credit recapture
	587,726	J	2,000
<b>2</b>	Net rental real estate income (loss)		
	2,787		
<b>3</b>	Other net rental income (loss)		
	846		
<b>4</b>	Interest income		
	1,796		
<b>5a</b>	Ordinary dividends		
	529		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
	100		
<b>6</b>	Royalties		
	1,500		
<b>7</b>	Net short-term capital gain (loss)		
	525		
<b>8a</b>	Net long-term capital gain (loss)		
	775		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
	2,560		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>A</b>	308		
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
	3,476	<b>A</b>	1,700
<b>12</b>	Other deductions		
<b>A</b>	10,000	<b>C</b>	3,500
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any _____
E	<input type="checkbox"/> Check if Form 8271 is attached

<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>234-56-7890</b>
G	Shareholder's name, address, city, state and ZIP code <b>TWO</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>
H	Shareholder's percentage of stock ownership for tax year . . . . . <b>15.00000</b> %

F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1 <input type="checkbox"/> Amended K-1		782216 OMB No. 1545-0130	
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) <b>881,590</b>	13	Credits & credit recapture <b>J 3,000</b>
2	Net rental real estate income (loss) <b>4,180</b>		
3	Other net rental income (loss) <b>1,269</b>		
4	Interest income <b>2,694</b>		
5a	Ordinary dividends <b>793</b>		
5b	Qualified dividends <b>150</b>	14	Foreign transactions
6	Royalties <b>2,250</b>		
7	Net short-term capital gain (loss) <b>788</b>		
8a	Net long-term capital gain (loss) <b>1,163</b>		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>3,840</b>		
10	Other income (loss) <b>A 462</b>	15	Alternative minimum tax (AMT) items
11	Section 179 deduction <b>5,215</b>	16	Items affecting shareholder basis <b>A 2,550</b>
12	Other deductions <b>A 15,000</b>	C	<b>5,250</b>
		17	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any _____
E	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>345-67-8901</b>
G	Shareholder's name, address, city, state and ZIP code <b>THREE</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>
H	Shareholder's percentage of stock ownership for tax year ..... <b>16.00000</b> %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1		<input type="checkbox"/> Amended K-1		782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items					
1	Ordinary business income (loss)	13	Credits & credit recapture		
	<b>940,362</b>	J	<b>3,200</b>		
2	Net rental real estate income (loss)				
	<b>4,459</b>				
3	Other net rental income (loss)				
	<b>1,354</b>				
4	Interest income				
	<b>2,874</b>				
5a	Ordinary dividends				
	<b>846</b>				
5b	Qualified dividends	14	Foreign transactions		
	<b>160</b>				
6	Royalties				
	<b>2,400</b>				
7	Net short-term capital gain (loss)				
	<b>840</b>				
8a	Net long-term capital gain (loss)				
	<b>1,240</b>				
8b	Collectibles (28%) gain (loss)				
8c	Unrecaptured section 1250 gain				
9	Net section 1231 gain (loss)				
	<b>4,096</b>				
10	Other income (loss)	15	Alternative minimum tax (AMT) items		
A	<b>492</b>				
11	Section 179 deduction	16	Items affecting shareholder basis		
	<b>5,562</b>	A	<b>2,720</b>		
12	Other deductions				
A	<b>16,000</b>	C	<b>5,600</b>		
		17	Other information		
* See attached statement for additional information.					



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>456-78-9012</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>FOUR</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>5.00000</b> %	
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>293,863</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>1,000</b>
<b>2</b>	Net rental real estate income (loss) <b>1,393</b>		
<b>3</b>	Other net rental income (loss) <b>423</b>		
<b>4</b>	Interest income <b>898</b>		
<b>5a</b>	Ordinary dividends <b>264</b>		
<b>5b</b>	Qualified dividends <b>50</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>750</b>		
<b>7</b>	Net short-term capital gain (loss) <b>263</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>388</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>1,280</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>154</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction <b>1,738</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>850</b>
<b>12</b> <b>A</b>	Other deductions <b>5,000</b>	<b>C</b>	<b>1,750</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b>	Corporation's employer identification number <b>40-5757575</b>
<b>B</b>	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
<b>C</b>	IRS Center where corporation filed return
<b>D</b>	<input type="checkbox"/> Tax shelter registration number, if any _____
<b>E</b>	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b>	Shareholder's identifying number <b>56-7890123</b>
<b>G</b>	Shareholder's name, address, city, state and ZIP code <b>FIVE</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>
<b>H</b>	Shareholder's percentage of stock ownership for tax year . . . . . <b>22.00000 %</b>
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1		<input type="checkbox"/> Amended K-1		782216 OMB No. 1545-0130	
<b>Part III</b>		Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>1,292,998</b>	<b>13</b>	Credits & credit recapture <b>J 4,400</b>		
<b>2</b>	Net rental real estate income (loss) <b>6,131</b>				
<b>3</b>	Other net rental income (loss) <b>1,861</b>				
<b>4</b>	Interest income <b>3,952</b>				
<b>5a</b>	Ordinary dividends <b>1,163</b>				
<b>5b</b>	Qualified dividends <b>220</b>	<b>14</b>	Foreign transactions		
<b>6</b>	Royalties <b>3,300</b>				
<b>7</b>	Net short-term capital gain (loss) <b>1,155</b>				
<b>8a</b>	Net long-term capital gain (loss) <b>1,705</b>				
<b>8b</b>	Collectibles (28%) gain (loss)				
<b>8c</b>	Unrecaptured section 1250 gain				
<b>9</b>	Net section 1231 gain (loss) <b>5,632</b>				
<b>10</b>	Other income (loss) <b>A 677</b>	<b>15</b>	Alternative minimum tax (AMT) items		
<b>11</b>	Section 179 deduction <b>7,648</b>	<b>16</b>	Items affecting shareholder basis <b>A 3,740</b>		
<b>12</b>	Other deductions <b>A 22,000</b>	<b>C</b>	<b>7,700</b>		
		<b>17</b>	Other information		
* See attached statement for additional information.					



Schedule K-1  
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Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
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and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>678-90-1234</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>SIX</b> <b>21 MAIN ST</b> <b>ANYTOWN FL 12345</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>4.00000</b> %	
<div>F o r  I R S  U s e  O n l y</div>	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>235,091</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>800</b>
<b>2</b>	Net rental real estate income (loss) <b>1,115</b>		
<b>3</b>	Other net rental income (loss) <b>338</b>		
<b>4</b>	Interest income <b>719</b>		
<b>5a</b>	Ordinary dividends <b>211</b>		
<b>5b</b>	Qualified dividends <b>40</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>600</b>		
<b>7</b>	Net short-term capital gain (loss) <b>210</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>310</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>1,024</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>123</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction <b>1,391</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>680</b>
<b>12</b> <b>A</b>	Other deductions <b>4,000</b>	<b>C</b>	<b>1,400</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any
E	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>789-01-2345</b>
G	Shareholder's name, address, city, state and ZIP code <b>SEVEN</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>
H	Shareholder's percentage of stock ownership for tax year ..... <b>7.00000</b> %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) <b>411,408</b>	13	Credits & credit recapture <b>J 1,400</b>
2	Net rental real estate income (loss) <b>1,951</b>		
3	Other net rental income (loss) <b>592</b>		
4	Interest income <b>1,257</b>		
5a	Ordinary dividends <b>370</b>		
5b	Qualified dividends <b>70</b>	14	Foreign transactions
6	Royalties <b>1,050</b>		
7	Net short-term capital gain (loss) <b>368</b>		
8a	Net long-term capital gain (loss) <b>543</b>		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>1,792</b>		
10	Other income (loss) <b>A 215</b>	15	Alternative minimum tax (AMT) items
11	Section 179 deduction <b>2,433</b>	16	Items affecting shareholder basis <b>A 1,190</b>
12	Other deductions <b>A 7,000</b>	C	<b>2,450</b>
		17	Other information
* See attached statement for additional information.			



Schedule K-1  
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Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
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and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/> Tax shelter registration number, if any _____	
<b>E</b> <input type="checkbox"/> Check if Form 8271 is attached	
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>890-12-3456</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>EIGHT</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>7.00000</b> %	
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>411,408</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>1,400</b>
<b>2</b>	Net rental real estate income (loss) <b>1,951</b>		
<b>3</b>	Other net rental income (loss) <b>592</b>		
<b>4</b>	Interest income <b>1,257</b>		
<b>5a</b>	Ordinary dividends <b>370</b>		
<b>5b</b>	Qualified dividends <b>70</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>1,050</b>		
<b>7</b>	Net short-term capital gain (loss) <b>368</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>543</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>1,792</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>215</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b> <b>A</b>	Section 179 deduction <b>2,433</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>1,190</b>
<b>12</b> <b>A</b>	Other deductions <b>7,000</b>	<b>C</b>	<b>2,450</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any _____
E	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>901-23-4567</b>
G	Shareholder's name, address, city, state and ZIP code <b>NINE</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>
H	Shareholder's percentage of stock ownership for tax year . . . . . <b>4.00000</b> %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) <b>235,091</b>	13 <b>J</b>	Credits & credit recapture <b>800</b>
2	Net rental real estate income (loss) <b>1,115</b>		
3	Other net rental income (loss) <b>338</b>		
4	Interest income <b>719</b>		
5a	Ordinary dividends <b>211</b>		
5b	Qualified dividends <b>40</b>	14	Foreign transactions
6	Royalties <b>600</b>		
7	Net short-term capital gain (loss) <b>210</b>		
8a	Net long-term capital gain (loss) <b>310</b>		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>1,024</b>		
10 <b>A</b>	Other income (loss) <b>123</b>	15 <b>A</b>	Alternative minimum tax (AMT) items
11 <b>A</b>	Section 179 deduction <b>1,391</b>	16 <b>A</b>	Items affecting shareholder basis <b>680</b>
12 <b>A</b>	Other deductions <b>4,000</b>	<b>C</b>	<b>1,400</b>
		17	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>012-34-5678</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>TEN</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>4.00000</b> %	
<div>F o r  I R S  U s e  O n l y</div>	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>235,091</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>800</b>
<b>2</b>	Net rental real estate income (loss) <b>1,115</b>		
<b>3</b>	Other net rental income (loss) <b>338</b>		
<b>4</b>	Interest income <b>719</b>		
<b>5a</b>	Ordinary dividends <b>211</b>		
<b>5b</b>	Qualified dividends <b>40</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>600</b>		
<b>7</b>	Net short-term capital gain (loss) <b>210</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>310</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>1,024</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>123</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction <b>1,391</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>680</b>
<b>12</b> <b>A</b>	Other deductions <b>4,000</b>	<b>C</b>	<b>1,400</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any _____
E	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>987-65-4321</b>
G	Shareholder's name, address, city, state and ZIP code <b>ELEVEN</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>
H	Shareholder's percentage of stock ownership for tax year . . . . . <b>1.00000</b> %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) <b>58,773</b>	13 <b>J</b>	Credits & credit recapture <b>200</b>
2	Net rental real estate income (loss) <b>279</b>		
3	Other net rental income (loss) <b>85</b>		
4	Interest income <b>180</b>		
5a	Ordinary dividends <b>53</b>		
5b	Qualified dividends <b>10</b>	14	Foreign transactions
6	Royalties <b>150</b>		
7	Net short-term capital gain (loss) <b>53</b>		
8a	Net long-term capital gain (loss) <b>78</b>		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>256</b>		
10 <b>A</b>	Other income (loss) <b>31</b>	15 <b>A</b>	Alternative minimum tax (AMT) items
11 <b>A</b>	Section 179 deduction <b>348</b>	16 <b>A</b>	Items affecting shareholder basis <b>170</b>
12 <b>A</b>	Other deductions <b>1,000</b>	<b>C</b>	<b>350</b>
		17	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

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year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
A	Corporation's employer identification number <b>40-5757575</b>
B	Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>
C	IRS Center where corporation filed return
D	<input type="checkbox"/> Tax shelter registration number, if any _____
E	<input type="checkbox"/> Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
F	Shareholder's identifying number <b>876-54-3210</b>
G	Shareholder's name, address, city, state and ZIP code <b>TWELVE</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>
H	Shareholder's percentage of stock ownership for tax year ..... <b>1.00000</b> %
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss) <b>58,773</b>	13 <b>J</b>	Credits & credit recapture <b>200</b>
2	Net rental real estate income (loss) <b>279</b>		
3	Other net rental income (loss) <b>85</b>		
4	Interest income <b>180</b>		
5a	Ordinary dividends <b>53</b>		
5b	Qualified dividends <b>10</b>	14	Foreign transactions
6	Royalties <b>150</b>		
7	Net short-term capital gain (loss) <b>53</b>		
8a	Net long-term capital gain (loss) <b>78</b>		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss) <b>256</b>		
10 <b>A</b>	Other income (loss) <b>31</b>	15 <b>A</b>	Alternative minimum tax (AMT) items
11 <b>A</b>	Section 179 deduction <b>348</b>	16 <b>A</b>	Items affecting shareholder basis <b>170</b>
12 <b>A</b>	Other deductions <b>1,000</b>	<b>C</b>	<b>350</b>
		17	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>333-66-6999</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>THIRTEEN</b> <b>1 MAIN STREET</b> <b>BOSTON MA 02105</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>1.00000</b> %	
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>58,773</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>200</b>
<b>2</b>	Net rental real estate income (loss) <b>279</b>		
<b>3</b>	Other net rental income (loss) <b>85</b>		
<b>4</b>	Interest income <b>180</b>		
<b>5a</b>	Ordinary dividends <b>53</b>		
<b>5b</b>	Qualified dividends <b>10</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>150</b>		
<b>7</b>	Net short-term capital gain (loss) <b>53</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>78</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>256</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>31</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b> <b>A</b>	Section 179 deduction <b>348</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>170</b>
<b>12</b> <b>A</b>	Other deductions <b>1,000</b>	<b>C</b>	<b>350</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>111-44-4888</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>FOURTEEN</b> <b>2 MAIN ST</b> <b>ANYTOWN FL 12345</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>2.00000</b> %	
<div>F o r  I R S  U s e  O n l y</div>	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>117,545</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>400</b>
<b>2</b>	Net rental real estate income (loss) <b>557</b>		
<b>3</b>	Other net rental income (loss) <b>169</b>		
<b>4</b>	Interest income <b>359</b>		
<b>5a</b>	Ordinary dividends <b>106</b>		
<b>5b</b>	Qualified dividends <b>20</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>300</b>		
<b>7</b>	Net short-term capital gain (loss) <b>105</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>155</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>512</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>62</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b> <b>A</b>	Section 179 deduction <b>695</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>340</b>
<b>12</b> <b>A</b>	Other deductions <b>2,000</b>	<b>C</b>	<b>700</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



Schedule K-1  
(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2005, or tax  
year beginning \_\_\_\_\_, 2005  
and ending \_\_\_\_\_, 20\_\_

2005

Shareholder's Share of Income, Deductions,  
Credits, etc.

► See separate instructions.

<b>Part I</b> Information About the Corporation	
<b>A</b> Corporation's employer identification number <b>40-5757575</b>	
<b>B</b> Corporation's name, address, city, state, and ZIP code <b>PORCH SWINGS AND LAWN CHAIRS INC</b> <b>16665 253RD WAY</b> <b>BOSTON MA 02105</b>	
<b>C</b> IRS Center where corporation filed return	
<b>D</b> <input type="checkbox"/>	Tax shelter registration number, if any _____
<b>E</b> <input type="checkbox"/>	Check if Form 8271 is attached
<b>Part II</b> Information About the Shareholder	
<b>F</b> Shareholder's identifying number <b>222-55-5888</b>	
<b>G</b> Shareholder's name, address, city, state and ZIP code <b>FIFTEEN</b> <b>1 MAIN ST</b> <b>BOSTON MA 02105</b>	
<b>H</b> Shareholder's percentage of stock ownership for tax year ..... <b>1.00000</b> %	
F o r  I R S  U s e  O n l y	

<input type="checkbox"/> Final K-1	<input type="checkbox"/> Amended K-1	782216	OMB No. 1545-0130
<b>Part III</b> Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
<b>1</b>	Ordinary business income (loss) <b>58,773</b>	<b>13</b> <b>J</b>	Credits & credit recapture <b>200</b>
<b>2</b>	Net rental real estate income (loss) <b>279</b>		
<b>3</b>	Other net rental income (loss) <b>85</b>		
<b>4</b>	Interest income <b>180</b>		
<b>5a</b>	Ordinary dividends <b>53</b>		
<b>5b</b>	Qualified dividends <b>10</b>	<b>14</b>	Foreign transactions
<b>6</b>	Royalties <b>150</b>		
<b>7</b>	Net short-term capital gain (loss) <b>53</b>		
<b>8a</b>	Net long-term capital gain (loss) <b>78</b>		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss) <b>256</b>		
<b>10</b> <b>A</b>	Other income (loss) <b>31</b>	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b> <b>A</b>	Section 179 deduction <b>348</b>	<b>16</b> <b>A</b>	Items affecting shareholder basis <b>170</b>
<b>12</b> <b>A</b>	Other deductions <b>1,000</b>	<b>C</b>	<b>350</b>
		<b>17</b>	Other information
* See attached statement for additional information.			



# Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts  
Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

2005

Attachment  
Sequence No. 27

Name(s) shown on return

PORCH SWINGS AND LAWN CHAIRS INC

Identifying number

40-5757575

- 1 Enter the gross proceeds from sales or exchanges reported to you for 2005 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) . . . . .

1

## Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft -- Most Property Held More Than 1 Year (see instructions)

(a) Description of property	(b) Date acquired (yr., mo., day)	(c) Date sold (yr., mo., day)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2						
3 Gain, if any, from Form 4684, line 42 . . . . .						3
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 . . . . .						4
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 . . . . .						5
6 Gain, if any, from line 32, from other than casualty or theft . . . . .						6
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: . . . . .						7
<b>Partnerships (except electing large partnerships) and S corporations.</b> Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.						
<b>Individuals, partners, S corporation shareholders, and all others.</b> If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.						
8 Nonrecaptured net section 1231 losses from prior years (see instructions) . . . . .						8
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions) . . . . .						9

## Part II Ordinary Gains and Losses (see instructions)

- 10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

GAIN ON SALE	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
					15,000					15,000
11 Loss, if any, from line 7 . . . . .										11 ( )
12 Gain, if any, from line 7 or amount from line 8, if applicable . . . . .										12
13 Gain, if any, from line 31 . . . . .										13
14 Net gain or (loss) from Form 4684, lines 34 and 41a . . . . .										14
15 Ordinary gain from installment sales from Form 6252, line 25 or 36 . . . . .										15
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 . . . . .										16
17 Combine lines 10 through 16 . . . . .										17 15,000
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:										
a If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22. Identify as from "Form 4797, line 18a." See instructions . . . . .										18a
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14 . . . . .										18b

For Paperwork Reduction Act Notice, see separate instructions.

EEA

Form 4797 (2005)



## Work Opportunity Credit

▶ Attach to your tax return.

2005

Attachment  
Sequence No. 77

Name(s) shown on return

PORCH SWINGS AND LAWN CHAIRS INC

Identifying number

40-5757575

**Part I** Current Year Credit (Members of a controlled group, see instructions.)

1	Enter the total qualified first-year wages paid or incurred during the tax year, and multiply by the percentage shown, for services of employees who began work for you before January 1, 2006, are certified as members of a targeted group, and:												
a	Worked for you at least 120 hours but fewer than 400 hours . . . \$ _____ x 25% (.25)	1a											
b	Worked for you at least 400 hours . . . . . \$ <u>50,000</u> x 40% (.40)	1b	<u>20,000</u>										
2	Add lines 1a and 1b. You <b>must</b> subtract this amount from your deduction for salaries and wages . . . . .	2	<u>20,000</u>										
3	<table border="1"> <thead> <tr> <th>If you are a -</th> <th>Then enter the total of the current year credits from -</th> </tr> </thead> <tbody> <tr> <td>a Shareholder . . . .</td> <td>Schedule K-1 (Form 1120S), box 13, code F, G, or J . . .</td> </tr> <tr> <td>b Partner . . . . .</td> <td>Schedule K-1 (Form 1065), box 15, code F, G, or J . . .</td> </tr> <tr> <td>c Beneficiary . . . .</td> <td>Schedule K-1 (Form 1041), box 13, code D . . . . .</td> </tr> <tr> <td>d Patron . . . . .</td> <td>Written statement from cooperative . . . . .</td> </tr> </tbody> </table>	If you are a -	Then enter the total of the current year credits from -	a Shareholder . . . .	Schedule K-1 (Form 1120S), box 13, code F, G, or J . . .	b Partner . . . . .	Schedule K-1 (Form 1065), box 15, code F, G, or J . . .	c Beneficiary . . . .	Schedule K-1 (Form 1041), box 13, code D . . . . .	d Patron . . . . .	Written statement from cooperative . . . . .	3	
If you are a -	Then enter the total of the current year credits from -												
a Shareholder . . . .	Schedule K-1 (Form 1120S), box 13, code F, G, or J . . .												
b Partner . . . . .	Schedule K-1 (Form 1065), box 15, code F, G, or J . . .												
c Beneficiary . . . .	Schedule K-1 (Form 1041), box 13, code D . . . . .												
d Patron . . . . .	Written statement from cooperative . . . . .												
4	<b>Current year credit.</b> Add lines 2 and 3. (S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions.) . . . . .	4	<u>20,000</u>										

**Part II** Allowable Credit (See **Who must file Form 3800** to find out if you complete Part II or file Form 3800.)

5	Regular tax before credits:		
•	Individuals. Enter the amount from Form 1040, line 44 . . . . .	}	5
•	Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . . .		
•	Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return . . . . .		
6	Alternative minimum tax:		
•	Individuals. Enter the amount from Form 6251, line 35 . . . . .	}	6
•	Corporations. Enter the amount from Form 4626, line 14 . . . . .		
•	Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56 . . . . .		
7	Add lines 5 and 6 . . . . .	7	
8a	Foreign tax credit . . . . .	8a	
b	Credits from Form 1040, lines 48 through 54 . . . . .	8b	
c	Possessions tax credit (Form 5735, line 17 or 27) . . . . .	8c	
d	Credits for fuel from a nonconventional source . . . . .	8d	
e	Qualified electric vehicle credit (Form 8834, line 20) . . . . .	8e	
f	Add lines 8a through 8e . . . . .	8f	
9	Net income tax. Subtract line 8f from line 7. If zero, skip lines 10 through 13 and enter -0- on line 14 . . .	9	
10	Net regular tax. Subtract line 8f from line 5. If zero or less, enter -0- . . . .	10	
11	Enter 25% (.25) of the excess, if any, of line 10 over \$25,000 (see instructions)	11	
12	Tentative minimum tax (see instructions) . . . . .	12	
13	Enter the greater of line 11 or line 12 . . . . .	13	
14	Subtract line 13 from line 9. If zero or less, enter -0- . . . . .	14	
15	<b>Credit allowed for the current year.</b> Enter the <b>smaller</b> of line 4 or line 14 here and on Form 1040, line 55; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 14 is smaller than line 4, see instructions . . . . .	15	

For Paperwork Reduction Act Notice, see instructions.

EEA

Form 5884 (2005)



**1** Show the kind and location of each property. See page 2 to list additional properties.

- A** RENTAL PROPERTY
- B** \_\_\_\_\_
- C** \_\_\_\_\_
- D** \_\_\_\_\_

Rental Real Estate Income		Properties			
		A	B	C	D
<b>2</b>	Gross rents . . . . .	<b>2</b>	800,000		
Rental Real Estate Expenses					
<b>3</b>	Advertising . . . . .	<b>3</b>			
<b>4</b>	Auto and travel . . . . .	<b>4</b>			
<b>5</b>	Cleaning and maintenance . . . . .	<b>5</b>			
<b>6</b>	Commissions . . . . .	<b>6</b>			
<b>7</b>	Insurance . . . . .	<b>7</b>			
<b>8</b>	Legal and other professional fees . . . . .	<b>8</b>			
<b>9</b>	Interest . . . . .	<b>9</b>	772,133		
<b>10</b>	Repairs . . . . .	<b>10</b>			
<b>11</b>	Taxes . . . . .	<b>11</b>			
<b>12</b>	Utilities . . . . .	<b>12</b>			
<b>13</b>	Wages and salaries . . . . .	<b>13</b>			
<b>14</b>	Depreciation (see instructions) . . . . .	<b>14</b>			
<b>15</b>	Other (list) ▶ _____ _____ _____	<b>15</b>			
<b>16</b>	Total expenses for each property. Add lines 3 through 15 . . . . .	<b>16</b>	772,133		

<b>17</b>	Total gross rents. Add gross rents from line 2, columns A through H . . . . .	<b>17</b>	800,000
<b>18</b>	Total expenses. Add total expenses from line 16, columns A through H . . . . .	<b>18</b>	( 772,133 )
<b>19</b>	Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities . . . . .	<b>19</b>	
<b>20a</b>	Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) . . . . .	<b>20a</b>	
<b>b</b>	Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:  (1) Name (2) Employer identification number _____ _____ _____		
<b>21</b>	Net rental real estate income (loss). Combine lines 17 through 20a. Enter the result here and on:  • Form 1065 or 1120S: Schedule K, line 2, or . . . . . } • Form 1065-B: Part I, line 4	<b>21</b>	27,867



2005 Form 355S MA0534711024  
S Corporation Excise Return

Year beginning 01012005 Ending 12312005

PORCH SWINGS AND LAWN CHAIRS INC 40-5757575  
16665 253RD WAY BOSTON MA 02105  
510 RELAXING TRAIL CHELSEA MA 02150

1. Is the corporation incorporated within Massachusetts? ☒ Yes ☐ No
2. Type of corporation ☐ Section 38 manufacturer ☐ Mutual fund service
3. Type of corporation ☐ R&D ☐ Classified manufacturing RIC
4. Is the corporation a qualified S corporation subsidiary? ☐ Yes ☒ No
5. Is the corporation the parent of another corporation? ☐ Yes ☒ No
6. Is the corporation an insurance mutual fund holding corporation? ☐ Yes ☒ No
7. Is the corporation requesting alternate apportionment? ☐ Yes ☒ No
8. Is this a final Massachusetts return? ☐ Yes ☒ No
9. Principal business code ☐ 9 313000
10. FID of parent corporation, if filing a consolidated federal return ☐ 10
11. Average number of employees in Massachusetts 11 307
12. Average number of employees worldwide 12 4926
13. Date of charter or first date of business in Massachusetts 13 07021998
14. Last year audited by IRS ☐ 14
15. Have adjustments been reported to Massachusetts? ☐ Yes ☒ No
16. Is the corporation deducting intangible or interest expenses paid to a related entity? ☐ Yes ☒ No

Excise Calculation

1. Taxable Massachusetts tangible property, if applicable ☐ x .0026 = ☐ 1
2. Taxable net worth, if applicable ☐ 41740701 x .0026 = ☐ 2 108526
3. Qualifying taxable income and passive investment income ☐ 12210 x .095 = ☐ 3 1160

**SIGN HERE. Under penalties of perjury, I declare that to the best of my knowledge and belief this return and enclosures are true, correct and complete.**

Signature of appropriate officer

Date

Print paid preparer's name

Paid preparer's SSN or PTIN

06222006

Title

Paid preparer's phone

Paid preparer's EIN

**SECRETARY**

Are you signing as an authorized delegate  
of the appropriate officer of the corporation?  
(see instructions) Yes No

Paid preparer's signature

Date

Check if self-employed

PRIVACY ACT NOTICE AVAILABLE UPON REQUEST

01-26-2006 19:07:55



**2005 Form 355S, pg. 2****MA0534721024**

S Corporation Excise Return

**40-5757575**

4.	Income	▶	4	49808723
5.	Income taxable in Massachusetts	▶	5	4686931
6.	If line 4 is less than \$6 million, enter "0." If line 4 is \$6 million or more, but less than \$9 million, multiply line 5 by .03. If line 4 is \$9 million or more, multiply line 5 by .045		6	210912
7.	Credit recapture	▶	7	
8.	Excise before credits		8	320598
9.	Economic Opportunity Area Credit	▶	9	1000
10.	3% credit for certain new or expanded investments	▶	10	2000
11.	Vanpool Credit	▶	11	3000
12.	Credit carryover	▶	12	4000
13.	Research Credit	▶	13	5000
14.	Harbor Maintenance Tax Credit	▶	14	6000
15.	Full Employment Credit	▶	15	7000
16.	Brownfields Credit	▶	16	8000
17.	Low-Income Housing Credit	▶	17	8100
18.	Historic Rehabilitation Credit	▶	18	500
19.	a. Home Energy Efficiency Credit ▶ 300 b. Solar Heat Credit ▶ 100	a + b =	19	400
20.	Total credits.	▶	20	45000
21.	Excise after credits		21	275598
22.	Minimum excise		22	456
23.	Excise due before voluntary contribution		23	275598
24.	Voluntary contribution for endangered wildlife conservation	▶	24	10000
25.	Excise due plus voluntary contribution	▶	25	285598
26.	2004 overpayment applied to your 2005 estimated tax	▶	26	7942
27.	2005 Massachusetts estimated tax payments	▶	27	100000
28.	Payment made with extension	▶	28	10000
29.	Amount overpaid		29	
30.	Amount overpaid to be credited to 2006 estimated tax	▶	30	
31.	Amount overpaid to be refunded	▶	31	
32.	Balance due	▶	32	167656
33.	a. M-2220 penalty ▶ 8804 b. Late file/pay penalties ▶ 563	a + b =	33	9367
34.	Interest on unpaid balance	▶	34	
35.	Total payment due at time of filing	Total due ▶	35	177023



**2005 Schedule A**      **MA0506011024**  
Balance Sheet

**PORCH SWINGS AND LAWN CHAIRS INC**      **40-5757575**

		A. Original cost	B. Accumulated depreciation and amortization	C. Net book value
<b>Tangible Assets</b>				
<b>1.</b>	Capital assets in Massachusetts:			
a.	Buildings ▶ 1a	2785000 ▶	925600	1859400
b.	Land ▶ 1b	225000		225000
c.	Motor vehicles and trailers ▶ 1c	97876 ▶	58726	39150
d.	Machinery taxed locally ▶ 1d	387584 ▶	221476	166108
e.	Machinery not taxed locally ▶ 1e	54229 ▶	27080	27149
f.	Equipment ▶ 1f	2876977 ▶	821993	2054984
g.	Fixtures 1g	84845	60568	24277
h.	Leasehold improvements taxed locally ▶ 1h	26833 ▶	5367	21466
i.	Leasehold improvements not taxed locally 1i	985487	459894	525593
j.	Other fixed depreciable assets 1j	55000	18333	36667
k.	Construction in progress 1k	863370		863370
l.	Total capital assets in Massachusetts ▶ 1l			5843164
<b>2.</b>	Inventories in Massachusetts:			
a.	General merchandise 2a			71091
b.	Exempt goods ▶ 2b			14955
<b>3.</b>	Supplies and other non-depreciable assets in Mass. 3			8630
<b>4.</b>	Total tangible assets in Massachusetts ▶ 4			5937840
<b>5.</b>	Capital assets outside of Massachusetts:			
a.	Buildings and other depreciable assets 5a	47151003	12846739	34304264
b.	Land 5b	15850000		15850000
<b>6.</b>	Leaseholds/leasehold improvements outside Mass. 6	27299	2184	25115
<b>7.</b>	Total capital assets outside Massachusetts ▶ 7	63028302 ▶	12848923	50179379



## 2005 Schedule A, pg. 2

MA0506021024

Business or Manufacturing Corporation Excise Return

40-5757575

8.	Inventories outside Massachusetts	8	3383796
9.	Supplies and other non-depreciable assets outside Massachusetts	9	827569
10.	Total tangible assets outside of Massachusetts	10	54390744
11.	Total tangible assets. Add lines 4 and 10	11	60328584
12.	Investments:		
	a. Investments in subsidiary corporations at least 80% owned (enclose Schedule A-1)	▶ 12a	1628500
	b. Other investments	▶ 12b	25000
13.	Notes receivable	13	425000
14.	Accounts receivable	14	3487556
15.	Intercompany receivables (enclose Schedule A-2)	15	27863
16.	Cash	16	856473
17.	Other assets	17	117493
18.	Total assets	▶ 18	66896469

### Liabilities and Capital

19.	Mortgages on:		
	a. Massachusetts tangible property taxed locally	19a	1871412
	b. Other tangible assets	19b	386277
20.	Bonds and other funded debt	20	500000
21.	Accounts payable	21	1765436
22.	Intercompany payables (enclose Schedule A-3)	▶ 22	45557
23.	Notes payable	23	5776593
24.	Miscellaneous current liabilities	24	27866
25.	Miscellaneous accrued liabilities	25	15788
26.	Total liabilities	▶ 26	10388929
27.	Total capital stock issued	27	4800000
28.	Paid-in or capital surplus	28	45200000
29.	Retained earnings and surplus reserves	29	4995773
30.	Undistributed S corporation net income	30	1786767
31.	Total capital	31	56782540
32.	Treasury stock	32	275000
33.	Total liabilities and capital	33	66896469



**2005 Schedule B**      **MA0506111024**  
Tangible or Intangible Property Corp. Classification

**PORCH SWINGS AND LAWN CHAIRS INC    40-5757575**

<b>1.</b>	Total Massachusetts tangible property	<b>1</b>	<b>5937840</b>
<b>2.</b>	Massachusetts real estate	<b>2</b>	<b>2084400</b>
<b>3.</b>	Massachusetts motor vehicles and trailers	<b>3</b>	<b>39150</b>
<b>4.</b>	Massachusetts machinery taxed locally	<b>4</b>	<b>166108</b>
<b>5.</b>	Massachusetts leasehold improvements taxed locally	<b>5</b>	<b>21466</b>
<b>6.</b>	Massachusetts tangible property taxed locally	<b>▶ 6</b>	<b>2311124</b>
<b>7.</b>	Massachusetts tangible property not taxed locally	<b>7</b>	<b>3626716</b>
<b>8.</b>	Total assets	<b>8</b>	<b>66896469</b>
<b>9.</b>	Massachusetts tangible property taxed locally	<b>9</b>	<b>2311124</b>
<b>10.</b>	Total assets not taxed locally	<b>10</b>	<b>64585345</b>
<b>11.</b>	Investments in subsidiaries at least 80% owned	<b>11</b>	<b>1628500</b>
<b>12.</b>	Assets subject to allocation	<b>12</b>	<b>62956845</b>
<b>13.</b>	Income apportionment percentage	<b>13</b>	<b>0.766738</b>
<b>14.</b>	Allocated assets	<b>▶ 14</b>	<b>48271405</b>
<b>15.</b>	Tangible property percentage	<b>15</b>	<b>0.075132</b>

**Schedule C. Tangible Property Corporation**

<b>1.</b>	Total Massachusetts tangible property	<b>1</b>
<b>2.</b>	Exempt Massachusetts tangible property:	
<b>a.</b>	Massachusetts real estate	<b>2a</b>
<b>b.</b>	Massachusetts motor vehicles and trailers	<b>2b</b>
<b>c.</b>	Massachusetts machinery taxed locally	<b>2c</b>
<b>d.</b>	Massachusetts leasehold improvements taxed locally	<b>2d</b>
<b>e.</b>	Exempt goods	<b>2e</b>
<b>f.</b>	Certified Massachusetts industrial waste/air treatment facilities	<b>2f</b>
<b>g.</b>	Certified Massachusetts solar or wind power deduction	<b>2g</b>
<b>3.</b>	Total exempt Massachusetts tangible property	<b>3</b>
<b>4.</b>	Taxable Massachusetts tangible property	<b>4</b>



**2005 Schedule D**      **MA0506211024**  
Intangible Property Corporation  
**40-5757575**

1.	Total assets	1	66896469
2.	Total liabilities	2	10388929
3.	Massachusetts tangible property taxed locally	3	2311124
4.	Mortgages on Massachusetts tangible property taxed locally	4	1871412
5.	Subtract line 4 from line 3	5	439712
6.	Investments in subsidiaries at least 80% owned	6	1628500
7.	Deductions from total assets	7	12457141
8.	Allocable net worth	8	54439328
9.	Income apportionment percentage	9	0.766738
10.	Taxable net worth	10	41740701

**Schedules E-1.** Dividends Deduction

1.	Total dividends	1	22500
2.	Dividends from Massachusetts corporate trusts	2	
3.	Dividends from non-wholly-owned DISCs	3	
4.	Dividends, if less than 15% of voting stock owned	4	7500
5.	Total taxable dividends	5	7500
6.	Dividends eligible for deduction	6	15000
7.	Dividends deduction	7	14250



**2005 Schedule E****MA0506411024**

Taxable Income

**PORCH SWINGS AND LAWN CHAIRS INC 40-5757575**

1.	Gross receipts or sales	▶ 1	48294468
2.	Gross profit	▶ 2	27865932
3.	Other deductions	▶ 3	14551272
4.	Net income	▶ 4	5877264
5.	Allowable U.S. wage credit	▶ 5	20000
6.	Subtract line 5 from line 4	6	5857264
7.	State and municipal bond interest not included in U.S. net income	▶ 7	
8.	Foreign, state or local income, franchise, excise or capital stock taxes deducted from U.S. net income	▶ 8	83265
9.	Section 168(k) "bonus" depreciation adjustment	▶ 9	160000
10.	Section(s) 31I and 31K intangible expenses	▶ 10	72277
11.	Section(s) 31J and 31K interest expenses	▶ 11	27863
12.	Federal production activity add back	▶ 12	
13.	Other adjustments, including research and development expenses	▶ 13	32500
14.	Add lines 6 through 13	14	6233169
15.	Abandoned building renovation deduction 238670	x .10 = ▶ 15	23867
16.	Dividends deduction	▶ 16	14250
17.	Add back of intangible expenses exception	▶ 17	7000
18.	Add back of interest expenses exception	▶ 18	450
19.	Subtract the total of lines 15 through 18 from line 14	19	6187602
20.	Loss carryover	▶ 20	185642
21.	Income subject to apportionment	▶ 21	6001960
22.	Income apportionment percentage	▶ 22	0.766738
23.	Multiply line 21 by line 22	23	4601931
24.	Income not subject to apportionment	▶ 24	135000
25.	Certified Massachusetts solar or wind power deduction	▶ 25	50000
26.	Massachusetts taxable income	26	4686931



**2005 Schedule CD**

MA0506311024

Corporate Disclosure

40-5757575

1.	Charitable contributions	▶ 1	100000
2.	Federal research expense allowed under IRC section 174, plus research credit allowed under IRC section 41	▶ 2	
3.	Accelerated depreciation allowed as a federal deduction:		
a.	Equipment	▶ 3a	379468
b.	Rental housing	▶ 3b	
c.	Buildings other than rental housing	▶ 3c	147665
d.	Pollution control facilities	▶ 3d	
4.	Depreciation included in line 3:		
a.	Equipment	▶ 4a	
b.	Rental housing	▶ 4b	
c.	Buildings other than rental housing	▶ 4c	
d.	Pollution control facilities	▶ 4d	
5.	Accelerated depreciation less standard depreciation:		
a.	Equipment	5a	379468
b.	Rental housing	5b	
c.	Buildings other than rental housing	5c	147665
d.	Pollution control facilities	5d	



**2005 Schedule E-2**      **MA0509211024**  
Loss Carryover Deduction

**PORCH SWINGS AND LAWN CHAIRS INC**    **40-5757575**

**Part 1. General Net Operating Loss**

1.	a.	2000 loss	<b>1a</b>	
	b.	2000 new corporation NOL carryover	<b>1b</b>	<b>0</b>
	c.	2000 loss used	<b>1c</b>	
	d.	2000 available loss	<b>1d</b>	
2.	a.	2001 loss	<b>2a</b>	<b>23544</b>
	b.	2001 new corporation NOL carryover	<b>2b</b>	
	c.	2001 loss used	<b>2c</b>	<b>23544</b>
	d.	2001 available loss	<b>2d</b>	
3.	a.	2002 loss	<b>3a</b>	
	b.	2002 new corporation NOL carryover	<b>3b</b>	
	c.	2002 loss used	<b>3c</b>	
	d.	2002 available loss	<b>3d</b>	
4.	a.	2003 loss	<b>4a</b>	<b>231519</b>
	b.	2003 new corporation NOL carryover	<b>4b</b>	
	c.	2003 loss used	<b>4c</b>	<b>45877</b>
	d.	2003 available loss	<b>4d</b>	<b>185642</b>
5.	a.	2004 loss	<b>5a</b>	
	b.	2004 new corporation NOL carryover	<b>5b</b>	
	c.	2004 loss used	<b>5c</b>	
	d.	2004 available loss	<b>5d</b>	
<b>6.</b>		<b>Total available loss</b>	<b>6</b>	<b>185642</b>
<b>7.</b>		<b>Net income</b>	<b>7</b>	<b>6225719</b>
<b>8.</b>		<b>Loss carryover deduction</b>	<b>8</b>	<b>185642</b>



**2005 Schedule F**      **MA0506611024**  
**Income Apportionment**

**PORCH SWINGS AND LAWN CHAIRS INC 40-5757575**

Fill in:      Section 38 manufacturer  
                  Mutual fund service corporation reporting sales of mutual funds only  
                  Mutual fund service corporation reporting sales of non-mutual funds  
                  Other  
                  Attaching additional copies of Schedule F

LOCATION	STATE	FACILITY TYPE	ACCEPTS ORDERS	REG.IN STATE	FILES IN STATE
<b>MIAMI</b>	<b>FL</b>	<b>SALES OFFICE</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>LOS ANGELES</b>	<b>CA</b>	<b>SALES OFFICE</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>

**Apportionment Factors**

<b>1.</b>	Tangible property				
a.	Property owned	►Massachusetts	62414700	Worldwide	74839896
b.	Property rented	►Massachusetts	2400000	Worldwide	2400000
c.	Total property owned and rented	Massachusetts	64814700	►Worldwide	77239896
d.	Tangible property apportionment percentage			1d	0.839135
<b>2.</b>	Payroll				
a.	Total payroll	►Massachusetts	1927133	►Worldwide	2775485
b.	Payroll apportionment percentage			2b	0.694341
<b>3.</b>	Sales				
a.	Tangible (destination)	►Massachusetts	36964897		
b.	Tangible (throw back)	►Massachusetts		Worldwide	47692420
c.	Services	►Massachusetts	23854	Worldwide	427875
d.	Rents and royalties	►Massachusetts	25457	Worldwide	117650
e.	Other sales factors	►Massachusetts	15000	►Worldwide	56523
f.	Total sales factors	Massachusetts	37029208	►Worldwide	48294468
g.	Sales apportionment percentage			3f	0.766738
<b>4.</b>	Apportionment percentage			4	3.066952
<b>5.</b>	Massachusetts apportionment percentage			5	0.766738



**2005 Schedule A-1**

MA0509311024

Investments in Subsidiaries

PORCH SWINGS AND LAWN CHAIRS INC 40-5757575

	A. NAME OF SUBSIDIARY	B. FEDERAL IDENTIFICATION NUMBER	C. AMOUNT OF INVESTMENT	D. ACCOUNTING METHOD COST EQUITY
1.	ELS INC	888888888	628500	X
2.	SINGH INC	777777777	1000000	X
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
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16.				
17.				
18.				
19.				
20.				
21.				
22.				
23.				
24.				
25.				
26.				
27.				
28.				
29.	Total Investments		29 1628500	



**2005 Schedule A-2**

MA0509411024

## Intercompany Receivables

PORCH SWINGS AND LAWN CHAIRS INC 40-5757575

	A. NAME OF SUBSIDIARY	B. FEDERAL IDENTIFICATION NUMBER	C. AMOUNT OF INTERCOMPANY RECEIVABLES
1.	WOODS INC	555555555	17863
2.	NICKELSON INC	444444444	10000
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.	Total intercompany receivables	29	27863



**2005 Schedule A-3****MA0509511024**

Intercompany Payables

**PORCH SWINGS AND LAWN CHAIRS INC 40-5757575**

	A. NAME OF SUBSIDIARY	B. FEDERAL IDENTIFICATION NUMBER	C. AMOUNT OF INTERCOMPANY PAYABLES
1.	<b>GULFSTREAM</b>	<b>222222222</b>	<b>25557</b>
2.	<b>LONESTAR</b>	<b>111111111</b>	<b>20000</b>
3.			
4.			
5.			
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18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.	Total intercompany payables	<b>29</b>	<b>45557</b>



**2005 Schedule H**      **MA0506711024**  
Investment Tax Credit and Carryovers

**PORCH SWINGS AND LAWN CHAIRS INC**      **40-5757575**

Type of corporation:    ☒ Classified manufacturer      Agriculture      Commercial fishing      Research and development (R&D)

**1.** R&D expenditures. If a foreign R&D corporation, enter only receipts assigned to Massachusetts

a. Total receipts	<b>1a</b>
b. Receipts from R&D	<b>1b</b>
c. Percent of revenues derived from R&D	<b>1c</b>
d. Amount in line 1b related to property capable of manufacturing in Massachusetts	<b>1d</b>
e. Percent of revenues derived from property capable of manufacturing in Massachusetts	<b>1e</b>
f. Describe R&D category	

**Calculation of Current-Year Investment Tax Credit**

**2.** List all qualified depreciable property (owned or leased) located in Massachusetts. Attach additional sheets if necessary

DESCRIPTION	DATE ACQUIRED	LIFE OR RECOVERY	COST OF PURCHASED PROPERTY OR ELIGIBLE LEASED PROPERTY
a. <b>EQUIPMENT</b>	<b>02232005</b>	<b>7</b>	<b>100000</b>
b.			
c.			
d.			
e.			
<b>3.</b> Total cost of eligible properties. Add lines 2a through 2e		<b>▶ 3</b>	<b>100000</b>
<b>4.</b> U.S. investment tax credit taken		<b>4</b>	<b>33333</b>
<b>5.</b> U.S. basis reduction taken, if any		<b>5</b>	
<b>6.</b> Total U.S. investment tax credit and U.S. basis reduction		<b>6</b>	<b>33333</b>
<b>7.</b> Amount eligible for Massachusetts Investment Tax Credit (ITC)		<b>7</b>	<b>66667</b>
<b>8.</b> Available current-year ITC		<b>8</b>	<b>2000</b>

**Credits Used and Unused in Current Year**

<b>9.</b> Total excise due for determining allowable credits	<b>9</b>	<b>320598</b>
<b>10.</b> Credits available for use in current year	<b>10</b>	<b>160299</b>
<b>11.</b> a. 2005 Vanpool Credit	<b>▶ 11a</b>	<b>3000</b>
b. Credits used	<b>11b</b>	<b>3000</b>
c. Credits unused	<b>11c</b>	
d. Unlimited carryover	<b>11d</b>	



**2005 Schedule H, pg. 2**

**MA0506721024**

Investment Tax Credit and Carryovers

**40-5757575**

<b>12.</b>	a.	2002 ITC carryover	▶	<b>12a</b>	
	b.	Credits used		<b>12b</b>	
	c.	Credits unused		<b>12c</b>	
	d.	Unlimited carryover		<b>12d</b>	
<b>13.</b>	a.	2003 ITC carryover	▶	<b>13a</b>	
	b.	Credits used		<b>13b</b>	
	c.	Credits unused		<b>13c</b>	
	d.	Unlimited carryover		<b>13d</b>	
	e.	Limited carryover		<b>13e</b>	
<b>14.</b>	a.	2004 ITC carryover	▶	<b>14a</b>	
	b.	Credits used		<b>14b</b>	
	c.	Credits unused		<b>14c</b>	
	d.	Unlimited carryover		<b>14d</b>	
	e.	Limited carryover		<b>14e</b>	
<b>15.</b>	a.	2005	▶	<b>15a</b>	<b>2000</b>
	b.	Credits used		<b>15b</b>	<b>2000</b>
	c.	Credits unused		<b>15c</b>	
	d.	Unlimited carryover		<b>15d</b>	
	e.	Limited carryover		<b>15e</b>	
<b>16.</b>	a.	1995 Economic Opportunity Area Credit (EOAC)	▶	<b>16a</b>	
	b.	Credits used		<b>16b</b>	
	c.	Credits unused		<b>16c</b>	
	d.	Unlimited carryover		<b>16d</b>	
<b>17.</b>	a.	1996 EOAC carryover	▶	<b>17a</b>	
	b.	Credits used		<b>17b</b>	
	c.	Credits unused		<b>17c</b>	
	d.	Unlimited carryover		<b>17d</b>	
	e.	Limited carryover		<b>17e</b>	
<b>18.</b>	a.	1997 EOAC carryover	▶	<b>18a</b>	
	b.	Credits used		<b>18b</b>	
	c.	Credits unused		<b>18c</b>	
	d.	Unlimited carryover		<b>18d</b>	
	e.	Limited carryover		<b>18e</b>	



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**MA0506731024**

**PORCH SWINGS AND LAWN CHAIRS INC 40-5757575**

<b>19.</b>	a.	1998 EOAC carryover	►	<b>19a</b>
	b.	Credits used		<b>19b</b>
	c.	Credits unused		<b>19c</b>
	d.	Unlimited carryover		<b>19d</b>
	e.	Limited carryover		<b>19e</b>
<b>20.</b>	a.	1999 EOAC carryover	►	<b>20a</b>
	b.	Credits used		<b>20b</b>
	c.	Credits unused		<b>20c</b>
	d.	Unlimited carryover		<b>20d</b>
	e.	Limited carryover		<b>20e</b>
<b>21.</b>	a.	2000 EOAC carryover	►	<b>21a</b>
	b.	Credits used		<b>21b</b>
	c.	Credits unused		<b>21c</b>
	d.	Unlimited carryover		<b>21d</b>
	e.	Limited carryover		<b>21e</b>
<b>22.</b>	a.	2001 EOAC carryover	►	<b>22a</b>
	b.	Credits used		<b>22b</b>
	c.	Credits unused		<b>22c</b>
	d.	Unlimited carryover		<b>22d</b>
	e.	Limited carryover		<b>22e</b>
<b>23.</b>	a.	2002 EOAC carryover	►	<b>23a</b>
	b.	Credits used		<b>23b</b>
	c.	Credits unused		<b>23c</b>
	d.	Unlimited carryover		<b>23d</b>
	e.	Limited carryover		<b>23e</b>
<b>24.</b>	a.	2003 EOAC carryover	►	<b>24a</b>
	b.	Credits used		<b>24b</b>
	c.	Credits unused		<b>24c</b>
	d.	Unlimited carryover		<b>24d</b>
	e.	Limited carryover		<b>24e</b>



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Investment Tax Credit and Carryovers

40-5757575

25.	a.	2004 EOAC carryover	▶ 25a	
	b.	Credits used	25b	
	c.	Credits unused	25c	
	d.	Unlimited carryover	25d	
	e.	Limited carryover	25e	
26.	a.	2005 EOAC carryover	▶ 26a	1000
	b.	Credits used	26b	1000
	c.	Credits unused	26c	
	d.	Unlimited carryover	26d	
	e.	Limited carryover	26e	
27.	a.	Unlimited credit carryover from prior years	▶ 27a	4000
	b.	Credits used	27b	4000
	c.	Credits unused	27c	
	d.	Unlimited carryover	27d	
28.	a.	Total credits available	28a	10000
	b.	Total credits used	28b	10000
	c.	Total credits unused	28c	
	d.	Total unlimited carryover	28d	

## Carryovers to Future Years

29.	Maximum amount of credits eligible for conversion to unlimited carryover status	29	160299
30.	2003 carryover	30	
31.	2004 carryover	31	
32.	2005 carryover	32	
33.	1996 carryover	33	
34.	1997 carryover	34	
35.	1998 carryover	35	
36.	1999 carryover	36	
37.	2000 carryover	37	
38.	2001 carryover	38	
39.	2002 carryover	39	
40.	2003 carryover	40	
41.	2004 carryover	41	
42.	2005 carryover	42	



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PORCH SWINGS AND LAWN CHAIRS INC 40-5757575

- |   |      |
|---|------|
| 43. Unlimited carryover:                    |      |
| a. Carryovers converted to unlimited status | 43a  |
| b. Unlimited carryovers from prior years    | 43b  |
| c. Total unlimited credits available        | 43c  |
| 44. Total credits carried over              | ▶ 44 |

### Reconciliation of Capital Assets in Massachusetts

- |  |       |
|--|-------|
| 45. Capital assets at beginning of year:                                     |       |
| a. Property with depreciable life under four years                           | 45a   |
| b. Qualifying property   | 45b   |
| c. Land  | 45c   |
| d. Total capital assets at beginning of tax year                             | 45d   |
| 46. Purchases and leases made during year:                                   |       |
| a. Property with depreciable life under four years                           | 46a   |
| b. Qualifying property. If different from line 3 of 2005 Schedule H, explain | 46b   |
| c. Land  | 46c   |
| d. Total purchases and leases made during year                               | 46d   |
| 47. Other acquisitions made during year:                                     |       |
| a. Property with depreciable life under four years                           | 47a   |
| b. Qualifying property   | 47b   |
| c. Land  | 47c   |
| d. Total other acquisitions made during year. Add lines 47a through 47c      | 47d   |
| 48. Sales, exchanges and retirements made during year:                       |       |
| a. Property with depreciable life under four years                           | 48a   |
| b. Qualifying property   | 48b   |
| c. Land  | 48c   |
| d. Total sales, exchanges and retirements made during year                   | ▶ 48d |
| 49. Depreciation taken during year:  |       |
| a. Property with depreciable life under four years                           | 49a   |
| b. Qualifying property   | 49b   |
| c. Total depreciation taken during year                                      | 49c   |



## 2005 Schedule H, pg. 6

MA0506761024

Investment Tax Credit and Carryovers

40-5757575

**50.** Other adjustments:

- |  |     |
|--|-----|
| a. Property with depreciable life under four years | 50a |
| b. Qualifying property                             | 50b |
| c. Land  | 50c |
| d. Total adjustments                               | 50d |

**51.** Capital assets at end of year:

- |  |       |
|--|-------|
| a. Property with depreciable life under four years | 51a   |
| b. Qualifying property                             | 51b   |
| c. Land  | 51c   |
| d. Total capital assets at end of tax year         | ► 51d |



PORCH SWINGS AND LAWN CHAIRS INC

40-5757575

Complete one Schedule H-2 for each type of credit being recaptured

Fill in if completing additional Schedules H-2

Credit being recaptured:      Brownfields      EOAC      ITC      LIH      ☒ Vanpool      HRC

Recapture Calculation

1.	Amount of original credit	1	8556
2.	Month and year property was placed in service	2	0701
3.	Total months of useful life	3	60
4.	Month and year property was disposed of or ceased to be in qualified use	4	0905
5.	Number of months property was in qualified use	5	50
6.	Adjusted credit percentage	6	0.833333
7.	Recapture percentage	7	0.166667
8.	Tentative recapture tax	8	1426
9.	Portion of original credit not used to offset any tax	9	8556
10.	Credit to be recaptured	10	



**2005 Schedule RC**      **MA0506911024**  
**Research Credit**

**PORCH SWINGS AND LAWN CHAIRS INC**      **40-5757575**

Type of corporation:

- ▶ Massachusetts gross receipts are being used to compute the fixed base and average annual receipts
- ☒ Federal gross receipts are being used to compute the fixed base and average annual receipts
- ▶ Corporation is electing to calculate the credit separately for qualified defense-related activities.

If making this election, file two schedule RCs and fill in one of the following:

Defense - related activities

Other qualified activities

**Massachusetts Basic Research Payments**

- |   |     |
|---|-----|
| 1. Basic research payments to qualified organizations | ▶ 1 |
| 2. Base period amount                                 | ▶ 2 |
| 3. Incremental payments                               | 3   |
| 4. Tentative credit for basic research payments       | 4   |

**Massachusetts Qualified Research Expenses**

- |  |      |
|--|------|
| 5. Wages for qualified service                                 | 5    |
| 6. Cost of supplies  | 6    |
| 7. Payments for computer use                                   | 7    |
| 8. 65% of contract expenses                                    | 8    |
| 9. Total qualified research expenses                           | ▶ 9  |
| 10. Fixed base percentage                                      | 10   |
| 11. Average annual gross receipts                              | 11   |
| 12. Base amount  | 12   |
| 13. Incremental qualified research expenses                    | 13   |
| 14. Tentative research credit for qualified research expenses. | ▶ 14 |

**Research Credit Limitations**

- |   |      |        |
|---|------|--------|
| 15. Total current tentative research credit | 15   |        |
| 16. Unused carryover credit                 | ▶ 16 | 5000   |
| 17. Total available credits                 | ▶ 17 | 5000   |
| 18. Excise before credits                   | 18   | 168224 |
| 19. Excise subject to 75% limitation        | 19   | 143224 |
| 20. 75% limitation                          | 20   | 107418 |
| 21. Excise not subject to 75% limitation    | 21   | 25000  |
| 22. Subtotal excise                         | 22   | 132418 |
| 23. Minimum excise limitations              | 23   |        |
| 24. Maximum allowable research credit       | 24   | 132418 |



## 2005 Schedule RC, pg. 2

MA0506921024

### Research Credit

40-5757575

25. Allowable research credit	25	5000
26. Research credit taken against excise	26	5000

### Research Credit Carryover

27. 15 year credit available for 2005	27
28. 15 year credit used in 2005	28
29. 15 year carryover available for 2006	29
30. Unlimited credit available for 2005	30
31. Unlimited credit used in 2005	31
32. Unlimited credit carryover available for 2006	32
33. Current year credit available for 2005	33
34. Current year credit used in 2005	34
35. Current year credit carryover available for 2006	35



**2005 Schedule S**      **MA0509011024**  
S Corporation Distributive Income

**PORCH SWINGS AND LAWN CHAIRS INC**      **40-5757575**

**Classification Information**

1. Gross receipts	1	48294468
2. Net gain	2	15000
3. Gross income from rental real estate	3	800000
4. Gross income from other rental activity	4	117650
5. Interest income	5	17963
6. Dividend income	6	5287
7. Royalty income	7	15000
8. Net short-term capital gain	8	5250
9. Net long-term capital gain	9	7750
10. Net gain under Section 1231	10	25600
11. Other income	11	56523
12. Total income	12	49360491
13. Receipts from inter-company transactions	13	385690
14. Total receipts excluding inter-company transactions	14	48974801
15. Total aggregate receipts of related entities	15	833922
16. Total of lines 14 and 15	16	49808723
17. Amount from line 12 or 16	17	49808723

**S Corporation Income**

18. Ordinary income or loss	18	5877264
19. Other income	19	3078
20. Taxes deducted	20	83265
21. Subtotal	21	5963607
22. Other Massachusetts gains or losses	22	25600
23. Subtotal	23	5938007
24. Other adjustments	24	307
25. Massachusetts ordinary income or loss	25	5938314
26. Real estate net income or loss	26	27867
27. Other rental activity net income or loss	27	8460



## 2005 Schedule S, pg.2

MA0509021024

S Corporation Distributive Income

40-5757575

28.	U.S. portfolio income	28	38250
29.	Interest on U.S. obligations	29	4275
30.	5.3% interest income	30	2250
31.	Other interest and dividend income	31	876
32.	Foreign state and municipal bond interest	32	1205
33.	Royalty income	33	15000
34.	Other income	34	18078
35.	Total short-term capital gains	35	5683
36.	Total short-term capital losses	36	-277
37.	Gain on property	37	27866
38.	Loss on property	38	-5374
39.	Net long-term capital gain or loss	39	7750
40.	Section 1231 net gain or loss	40	25600
41.	Other long-term gains or losses	41	-5000
42.	Long-term gains on collectibles	42	10000
43.	Differences and adjustments	43	-3000

## Resident and Nonresident Reconciliation

44.	Nonresident shareholder portion of the following Schedule S lines		
a.	Line 25	44a	2434709
b.	Line 26	44b	11425
c.	Line 27	44c	3469
d.	Line 30	44d	922
e.	Line 31	44e	359
f.	Line 32	44f	494
g.	Line 33	44g	6150
h.	Line 34	44h	7412
i.	Line 35	44i	2330
j.	Line 36	44j	-114
k.	Line 37	44k	11425
l.	Line 38	44l	-2203
m.	Line 39	44m	3178



**2005 Schedule S, pg.3**

MA0509031024

PORCH SWINGS AND LAWN CHAIRS INC 40-5757575

n. Line 40	44n	10496
o. Line 41	44o	-2050
p. Line 42	44p	4100
q. Line 43	44q	-1230
<b>45. Nonresident taxable income</b>		
a. Line 44a times apportionment percentage	45a	1866784
b. Line 44b times apportionment percentage	45b	8760
c. Line 44c times apportionment percentage	45c	2660
d. Line 44d times apportionment percentage	45d	707
e. Line 44e times apportionment percentage	45e	275
f. Line 44f times apportionment percentage	45f	379
g. Line 44g times apportionment percentage	45g	4715
h. Line 44h times apportionment percentage	45h	5683
i. Line 44i times apportionment percentage	45i	1787
j. Line 44j times apportionment percentage	45j	-87
k. Line 44k times apportionment percentage	45k	8760
l. Line 44l times apportionment percentage	45l	-1689
m. Line 44m times apportionment percentage	45m	2436
n. Line 44n times apportionment percentage	45n	8048
o. Line 44o times apportionment percentage	45o	-1572
p. Line 44p times apportionment percentage	45p	3144
q. Line 44q times apportionment percentage	45q	-943
<b>46. Resident shareholder value of Schedule S lines</b>		
a. Line 25	46a	2197176
b. Line 26	46b	10311
c. Line 27	46c	3130
d. Line 30	46d	832
e. Line 31	46e	324
f. Line 32	46f	446
g. Line 33	46g	5550
h. Line 34	46h	6689



**2005 Schedule S, pg.4****MA0509041024**

S Corporation Distributive Income

**40-5757575**

i. Line 35	46i	2103
j. Line 36	46j	-102
k. Line 37	46k	10310
l. Line 38	46l	-1988
m. Line 39	46m	2868
n. Line 40	46n	9472
o. Line 41	46o	-1850
p. Line 42	46p	3700
q. Line 43	46q	-1110
<b>47. Apportioned Massachussetts total</b>		
a. Line 45a plus line 46a	47a	4063960
b. Line 45b plus line 46b	47b	19071
c. Line 45c plus line 46c	47c	5790
d. Line 45d plus line 46d	47d	1539
e. Line 45e plus line 46e	47e	599
f. Line 45f plus line 46f	47f	825
g. Line 45g plus line 46g	47g	10265
h. Line 45h plus line 46h	47h	12372
i. Line 45i plus line 46i	47i	3890
j. Line 45j plus line 46j	47j	-189
k. Line 45k plus line 46k	47k	19070
l. Line 45l plus line 46l	47l	-3677
m. Line 45m plus line 46m	47m	5304
n. Line 45n plus line 46n	47n	17520
o. Line 45o plus line 46o	47o	-3422
p. Line 45p plus line 46p	47p	6844
q. Line 45q plus line 46q	47q	-2053



**2005 Schedule S, pg.5**

MA0509051024

**PORCH SWINGS AND LAWN CHAIRS INC 40-5757575**

TAXPAYER IDENTIFICATION NUMBER	RESIDENT	NON- RESIDENT	OTHER	SHAREHOLDER'S NAME
123456789	X			ONE
234567890		X		TWO
345678901	X			THREE
456789012		X		FOUR
567890123			X	FIVE
678901234		X		SIX
789012345	X			SEVEN
890123456		X		EIGHT
901234567		X		NINE
012345678		X		TEN
987654321	X			ELEVEN
876543210	X			TWELVE
333666999	X			THIRTEEN
111444888		X		FOURTEEN
222555888	X			FIFTEEN

Fill in if enclosing additional page(s) for additional shareholder(s)



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	593831
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	593831
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	2787
6.	Net income or loss from other rental activity	6	846
7.	Interest from U.S. obligations	7	428
8.	Interest from Massachusetts banks	8	225
9.	Other interest and dividend income	9	88
10.	Non-Massachusetts state and municipal bond interest	10	121
11.	Royalty income	11	1500
12.	Other income	12	1808
13.	Short term capital gains	13	568
14.	Short term capital losses	14	-28
15.	Gain on trade or business property	15	2787
16.	Loss on trade or business property	16	-537



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**123-45-6789**

17.	Long term capital gain or loss	17	775
18.	Net gain or loss under Section 1231	18	2560
19.	Other long-term gains and losses	19	-500
20.	Long-term gains on collectibles	20	1000
21.	Differences and adjustments	21	-300

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	10
c.	Shareholder's percentage of stock ownership	22c	10.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	682970
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	682970
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	3205
6.	Net income or loss from other rental activity	6	973
7.	Interest from U.S. obligations	7	492
8.	Interest from Massachusetts banks	8	338
9.	Other interest and dividend income	9	101
10.	Non-Massachusetts state and municipal bond interest	10	139
11.	Royalty income	11	1725
12.	Other income	12	2079
13.	Short term capital gains	13	654
14.	Short term capital losses	14	-32
15.	Gain on trade or business property	15	3205
16.	Loss on trade or business property	16	-618



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**234-56-7890**

<b>17.</b>	Long term capital gain or loss	<b>17</b>	<b>891</b>
<b>18.</b>	Net gain or loss under Section 1231	<b>18</b>	<b>2944</b>
<b>19.</b>	Other long-term gains and losses	<b>19</b>	<b>-575</b>
<b>20.</b>	Long-term gains on collectibles	<b>20</b>	<b>1150</b>
<b>21.</b>	Differences and adjustments	<b>21</b>	<b>-345</b>

**Shareholder's Basis Information**

<b>22.</b>	Taxpayer's beginning information		
a.	Date of the federal basis	<b>22a</b>	<b>01012005</b>
b.	Number of shares owned	<b>22b</b>	<b>15</b>
c.	Shareholder's percentage of stock ownership	<b>22c</b>	<b>15.000000</b>
d.	Dollar value of basis as of the date in line 22a	<b>22d</b>	
<b>23.</b>	Massachusetts basis at the beginning of the tax year		
a.	Stock	<b>23a</b>	
b.	Indebtedness	<b>23b</b>	
<b>24.</b>	Net Massachusetts adjustments		
a.	Stock	<b>24a</b>	
b.	Indebtedness	<b>24b</b>	
<b>25.</b>	Net federal adjustment		
a.	Stock	<b>25a</b>	
b.	Indebtedness	<b>25b</b>	
<b>26.</b>	Massachusetts year-end basis		
a.	Stock	<b>26a</b>	
b.	Indebtedness	<b>26b</b>	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	950130
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	950130
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	4459
6.	Net income or loss from other rental activity	6	1354
7.	Interest from U.S. obligations	7	684
8.	Interest from Massachusetts banks	8	360
9.	Other interest and dividend income	9	140
10.	Non-Massachusetts state and municipal bond interest	10	193
11.	Royalty income	11	2400
12.	Other income	12	2892
13.	Short term capital gains	13	909
14.	Short term capital losses	14	-44
15.	Gain on trade or business property	15	4459
16.	Loss on trade or business property	16	-860



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**345-67-8901**

17.	Long term capital gain or loss	17	1240
18.	Net gain or loss under Section 1231	18	4096
19.	Other long-term gains and losses	19	-800
20.	Long-term gains on collectibles	20	1600
21.	Differences and adjustments	21	-480

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	16
c.	Shareholder's percentage of stock ownership	22c	16.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	227657
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	227657
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	1068
6.	Net income or loss from other rental activity	6	324
7.	Interest from U.S. obligations	7	164
8.	Interest from Massachusetts banks	8	113
9.	Other interest and dividend income	9	34
10.	Non-Massachusetts state and municipal bond interest	10	46
11.	Royalty income	11	575
12.	Other income	12	693
13.	Short term capital gains	13	218
14.	Short term capital losses	14	-11
15.	Gain on trade or business property	15	1068
16.	Loss on trade or business property	16	-206



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**456-78-9012**

17.	Long term capital gain or loss	17	297
18.	Net gain or loss under Section 1231	18	981
19.	Other long-term gains and losses	19	-192
20.	Long-term gains on collectibles	20	383
21.	Differences and adjustments	21	-115

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	5
c.	Shareholder's percentage of stock ownership	22c	5.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	1306429
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	1306429
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	6131
6.	Net income or loss from other rental activity	6	1861
7.	Interest from U.S. obligations	7	941
8.	Interest from Massachusetts banks	8	495
9.	Other interest and dividend income	9	193
10.	Non-Massachusetts state and municipal bond interest	10	265
11.	Royalty income	11	3300
12.	Other income	12	3977
13.	Short term capital gains	13	1250
14.	Short term capital losses	14	-61
15.	Gain on trade or business property	15	6131
16.	Loss on trade or business property	16	-1182



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**56-7890123**

17.	Long term capital gain or loss	17	1705
18.	Net gain or loss under Section 1231	18	5632
19.	Other long-term gains and losses	19	-1100
20.	Long-term gains on collectibles	20	2200
21.	Differences and adjustments	21	-660

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	22
c.	Shareholder's percentage of stock ownership	22c	22.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	182125
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	182125
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	855
6.	Net income or loss from other rental activity	6	259
7.	Interest from U.S. obligations	7	131
8.	Interest from Massachusetts banks	8	90
9.	Other interest and dividend income	9	27
10.	Non-Massachusetts state and municipal bond interest	10	37
11.	Royalty income	11	460
12.	Other income	12	554
13.	Short term capital gains	13	174
14.	Short term capital losses	14	-8
15.	Gain on trade or business property	15	855
16.	Loss on trade or business property	16	-165



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**678-90-1234**

17.	Long term capital gain or loss	17	238
18.	Net gain or loss under Section 1231	18	785
19.	Other long-term gains and losses	19	-153
20.	Long-term gains on collectibles	20	307
21.	Differences and adjustments	21	-92

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	4
c.	Shareholder's percentage of stock ownership	22c	4.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	415682
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	415682
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	1951
6.	Net income or loss from other rental activity	6	592
7.	Interest from U.S. obligations	7	299
8.	Interest from Massachusetts banks	8	158
9.	Other interest and dividend income	9	61
10.	Non-Massachusetts state and municipal bond interest	10	84
11.	Royalty income	11	1050
12.	Other income	12	1265
13.	Short term capital gains	13	398
14.	Short term capital losses	14	-19
15.	Gain on trade or business property	15	1951
16.	Loss on trade or business property	16	-376



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Shareholder's Massachusetts Information  
**789-01-2345**

17.	Long term capital gain or loss	17	543
18.	Net gain or loss under Section 1231	18	1792
19.	Other long-term gains and losses	19	-350
20.	Long-term gains on collectibles	20	700
21.	Differences and adjustments	21	-210

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	7
c.	Shareholder's percentage of stock ownership	22c	7.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	318719
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	318719
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	1496
6.	Net income or loss from other rental activity	6	454
7.	Interest from U.S. obligations	7	229
8.	Interest from Massachusetts banks	8	158
9.	Other interest and dividend income	9	47
10.	Non-Massachusetts state and municipal bond interest	10	65
11.	Royalty income	11	805
12.	Other income	12	970
13.	Short term capital gains	13	305
14.	Short term capital losses	14	-15
15.	Gain on trade or business property	15	1496
16.	Loss on trade or business property	16	-288



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Shareholder's Massachusetts Information  
**890-12-3456**

17.	Long term capital gain or loss	17	416
18.	Net gain or loss under Section 1231	18	1374
19.	Other long-term gains and losses	19	-268
20.	Long-term gains on collectibles	20	537
21.	Differences and adjustments	21	-161

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	7
c.	Shareholder's percentage of stock ownership	22c	7.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	182125
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	182125
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	855
6.	Net income or loss from other rental activity	6	259
7.	Interest from U.S. obligations	7	131
8.	Interest from Massachusetts banks	8	90
9.	Other interest and dividend income	9	27
10.	Non-Massachusetts state and municipal bond interest	10	37
11.	Royalty income	11	460
12.	Other income	12	554
13.	Short term capital gains	13	174
14.	Short term capital losses	14	-8
15.	Gain on trade or business property	15	855
16.	Loss on trade or business property	16	-165



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**901-23-4567**

17.	Long term capital gain or loss	17	238
18.	Net gain or loss under Section 1231	18	785
19.	Other long-term gains and losses	19	-153
20.	Long-term gains on collectibles	20	307
21.	Differences and adjustments	21	-92

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	4
c.	Shareholder's percentage of stock ownership	22c	4.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	182125
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	182125
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	855
6.	Net income or loss from other rental activity	6	259
7.	Interest from U.S. obligations	7	131
8.	Interest from Massachusetts banks	8	90
9.	Other interest and dividend income	9	27
10.	Non-Massachusetts state and municipal bond interest	10	37
11.	Royalty income	11	460
12.	Other income	12	554
13.	Short term capital gains	13	174
14.	Short term capital losses	14	-8
15.	Gain on trade or business property	15	855
16.	Loss on trade or business property	16	-165



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**012-34-5678**

17.	Long term capital gain or loss	17	238
18.	Net gain or loss under Section 1231	18	785
19.	Other long-term gains and losses	19	-153
20.	Long-term gains on collectibles	20	307
21.	Differences and adjustments	21	-92

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	4
c.	Shareholder's percentage of stock ownership	22c	4.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	59383
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	59383
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	279
6.	Net income or loss from other rental activity	6	85
7.	Interest from U.S. obligations	7	43
8.	Interest from Massachusetts banks	8	23
9.	Other interest and dividend income	9	9
10.	Non-Massachusetts state and municipal bond interest	10	12
11.	Royalty income	11	150
12.	Other income	12	181
13.	Short term capital gains	13	57
14.	Short term capital losses	14	-3
15.	Gain on trade or business property	15	279
16.	Loss on trade or business property	16	-54



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**987-65-4321**

17.	Long term capital gain or loss	17	78
18.	Net gain or loss under Section 1231	18	256
19.	Other long-term gains and losses	19	-50
20.	Long-term gains on collectibles	20	100
21.	Differences and adjustments	21	-30

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	1
c.	Shareholder's percentage of stock ownership	22c	1.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	59383
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	59383
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	279
6.	Net income or loss from other rental activity	6	85
7.	Interest from U.S. obligations	7	43
8.	Interest from Massachusetts banks	8	23
9.	Other interest and dividend income	9	9
10.	Non-Massachusetts state and municipal bond interest	10	12
11.	Royalty income	11	150
12.	Other income	12	181
13.	Short term capital gains	13	57
14.	Short term capital losses	14	-3
15.	Gain on trade or business property	15	279
16.	Loss on trade or business property	16	-54



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**876-54-3210**

17.	Long term capital gain or loss	17	78
18.	Net gain or loss under Section 1231	18	256
19.	Other long-term gains and losses	19	-50
20.	Long-term gains on collectibles	20	100
21.	Differences and adjustments	21	-30

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	1
c.	Shareholder's percentage of stock ownership	22c	1.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	59383
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	59383
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	279
6.	Net income or loss from other rental activity	6	85
7.	Interest from U.S. obligations	7	43
8.	Interest from Massachusetts banks	8	23
9.	Other interest and dividend income	9	9
10.	Non-Massachusetts state and municipal bond interest	10	12
11.	Royalty income	11	150
12.	Other income	12	181
13.	Short term capital gains	13	57
14.	Short term capital losses	14	-3
15.	Gain on trade or business property	15	279
16.	Loss on trade or business property	16	-54



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**333-66-6999**

17.	Long term capital gain or loss	17	78
18.	Net gain or loss under Section 1231	18	256
19.	Other long-term gains and losses	19	-50
20.	Long-term gains on collectibles	20	100
21.	Differences and adjustments	21	-30

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	1
c.	Shareholder's percentage of stock ownership	22c	1.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	91063
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	91063
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	427
6.	Net income or loss from other rental activity	6	130
7.	Interest from U.S. obligations	7	66
8.	Interest from Massachusetts banks	8	45
9.	Other interest and dividend income	9	13
10.	Non-Massachusetts state and municipal bond interest	10	18
11.	Royalty income	11	230
12.	Other income	12	277
13.	Short term capital gains	13	87
14.	Short term capital losses	14	-4
15.	Gain on trade or business property	15	427
16.	Loss on trade or business property	16	-82



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**111-44-4888**

17.	Long term capital gain or loss	17	119
18.	Net gain or loss under Section 1231	18	393
19.	Other long-term gains and losses	19	-77
20.	Long-term gains on collectibles	20	153
21.	Differences and adjustments	21	-46

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	2
c.	Shareholder's percentage of stock ownership	22c	2.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



## Shareholder's Massachusetts Information

## Shareholder's Distributive Share

1.	Massachusetts ordinary income or loss	1	59383
2.	Separately stated deductions	2	
3.	Add lines 1 and 2	3	59383
4.	Credits available		
a.	Taxes paid to another jurisdiction (residents only)	4a	
b.	Lead paint credit	4b	
c.	Economic opportunity area credit	4c	
d.	Full employment credit	4d	
e.	Brownfields credit	4e	
f.	Low-income housing credit	4f	
g.	Historic rehabilitation credit	4g	
h.	Home energy efficiency credit plus solar heat credit	4h	
i.	Total credits	4i	
5.	Net income or loss from rental real estate	5	279
6.	Net income or loss from other rental activity	6	85
7.	Interest from U.S. obligations	7	43
8.	Interest from Massachusetts banks	8	23
9.	Other interest and dividend income	9	9
10.	Non-Massachusetts state and municipal bond interest	10	12
11.	Royalty income	11	150
12.	Other income	12	181
13.	Short term capital gains	13	57
14.	Short term capital losses	14	-3
15.	Gain on trade or business property	15	279
16.	Loss on trade or business property	16	-54



**2005 Schedule SK-1, pg. 2**  
**MA0509121024**

Shareholder's Massachusetts Information  
**222-55-5888**

17.	Long term capital gain or loss	17	78
18.	Net gain or loss under Section 1231	18	256
19.	Other long-term gains and losses	19	-50
20.	Long-term gains on collectibles	20	100
21.	Differences and adjustments	21	-30

**Shareholder's Basis Information**

22.	Taxpayer's beginning information		
a.	Date of the federal basis	22a	01012005
b.	Number of shares owned	22b	1
c.	Shareholder's percentage of stock ownership	22c	1.000000
d.	Dollar value of basis as of the date in line 22a	22d	
23.	Massachusetts basis at the beginning of the tax year		
a.	Stock	23a	
b.	Indebtedness	23b	
24.	Net Massachusetts adjustments		
a.	Stock	24a	
b.	Indebtedness	24b	
25.	Net federal adjustment		
a.	Stock	25a	
b.	Indebtedness	25b	
26.	Massachusetts year-end basis		
a.	Stock	26a	
b.	Indebtedness	26b	



# Schedule EOAC

## Economic Opportunity

### Area Credit

**2005**

**Massachusetts**

**Department of**

**Revenue**

Name PORCH SWINGS AND LAWN CHAIRS INC Federal Identification or Social Security number 40-5757575

#### General Information

1 Type of business for which property is being used (check only one):

- ☐ Sole proprietorship    ☐ Partnership    ☒ S corporation    ☐ Corporate trust    ☐ Financial institution  
☐ Insurance company    ☐ Corporation    ☐ Trust    ☐ Public service corporation  
☐ Corporation included in a combined return (enter name and Federal Identification number of principal reporting company):

☐ Other (specify) \_\_\_\_\_

2 Type of return this schedule is filed with FORM 355S

3 Location of certified project BOSTON MA

4 Date project was certified by EACC (attach a copy of certification from EACC) 07-15-2002

#### Computation of 5% Current Year Economic Opportunity Area Credit (EOAC)

5 Briefly, but accurately, describe purchases of qualifying property for the 5% EOAC. Complete details must be available upon request.	Date acquired	Life or recovery (years)	Cost (if not using cost, explain on separate sheet)
<b>STRAPPING FACILITY EQUIPMENT</b>	<b>03-22-2005</b>	<b>7</b>	<b>20000</b>
6 Total cost of property . . . . .	6		20000
7 U.S. basis reduction, if any . . . . .	7		
8 Total cost of property after reduction. Subtract line 7 from line 6 . . . . .	8		20000
9 Available current-year EOAC. Multiply line 8 by .05. See instructions . . . . .	9		1000

#### Taxpayers Subject to Tax Under MGL Ch. 62

10 Total tax for determining allowable credit. Form 1, line 27; Form 1-NR/PY, line 31; Form 2, line 40;

Form 3F, line 24 . . . . . 10

11 Total of other credits. See instructions . . . . . 11

12 Subtract line 11 from line 10. Enter result. Not less than "0" . . . . . 12

13 Enter 50% of line 12 here . . . . . 13

14 EOAC available this year. Add line 9 and prior years unused EOAC (from 2004 Schedule EOAC, Line 17, column c) . . . . . 14

15 EOAC allowable for use in current year. If line 13 is greater than or equal to line 14, enter line 14. If line 13 is less than line 14 enter line 13 . . . . . 15

Enter amount from line 15 on Form 1, Schedule Z; Form 1-NR/PY, Schedule Z; Form 2, line 41; or Form 3F, line 26.

#### Carryover to Future Years

16 Maximum amount of credits for conversion to ten-year carryover status:

Year	a. Unused credits from prior years and current year credit	b. Portion used this year	c. Unused credit available	
			Subtract col. b from col. a	
			Amount	For
1996	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006
1997	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2007
1998	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2008
1999	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2009
2000	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2010
2001	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2011
2002	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2012
2003	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2013
2004	(2004 Sch. EOAC, line 16, col. c) _____	_____	_____	2006-2014
2005	(2005 Sch. EOAC, line 9) _____	_____	_____	2006-2015
<b>17 Totals</b>				



# Schedule VP

## Vanpool Credit

**2005**  
**Massachusetts**  
**Department of**  
**Revenue**

Name

Federal Identification number

**PORCH SWINGS AND LAWN CHAIRS INC**

**40-5757575**

**Eligible costs.** Briefly describe purchased or leased qualifying shuttle vans. Include make, model and registration number. Additional details must be available upon request. Use additional sheet if necessary.

### Costs

a.

**Purchased**

b.

**Leased**

1

**2002 GMC VAN 1234567890123467**

**10000**

2 Totals. Add all costs for each column . . . . .

2

**10000**

3 Total costs. Add line 2, columns a and b . . . . .

3

**10000**

4 Allowable Vanpool Credit. Enter 30% of line 3 here and on Schedule H, line 11e . . . . .

4

**3000**



**Schedule BC**  
**Brownfields Credit**

**2005**

**Massachusetts**  
**Department of**  
**Revenue**

Name

**PORCH SWINGS AND LAWN CHAIRS INC**

Federal Identification or Social Security number

**40-5757575**

**General Information**

1 Type of business for which property is being used (check only one):

☐ Sole proprietorship ☐ Partnership ☒ S corporation ☐ Corporate trust ☐ Corporation

☐ Corporation included in a combined return (enter name and Federal Identification number of principal reporting company):

☐ Other (specify) \_\_\_\_\_

2 Type of return this schedule is filed with **FORM 355S**

3 Location of project **BOSTON MA**

4 Date of filing of Response Action Outcome Statement or Remedy Operation Status Submittal with DEP (enclose copy) **07-15-2002**

**Allowable Tax Credit Percentage**

5 Enter .25 if cleanup results in Activity and Use Limitation (AUL), or .5 if cleanup results in unlimited use . . . . . 5 **0.25**

**Computation of Current Year Brownfields Credit**

6 Briefly, but accurately, describe purchases of qualifying property for the Brownfields Credit. Complete details must be available upon request.	Date acquired	Assessed value prior to remediation	Cost of cleanup (after July 31, 1998)
<b>CLEAN UP AREA</b>	<b>07-15-2002</b>	<b>78000</b>	<b>32000</b>

7 Total costs. The cleanup costs must exceed 15% of the assessed value of the cleanup area to claim the credit . . . . . 7 **32000**

8 Current year Brownfields Credit. Multiply line 7 (cost of cleanup) by .25 or .5, whichever applies . . . . . 8 **8000**

9 Brownfields available this year. Add line 8 and prior year's unused Brownfields (from 2004 Schedule BC, line 18c) . . . 9 **8000**

10 Credit available for use in current year by corporate taxpayers. See instructions. Corporate taxpayers enter this amount on Form 355, line 13; Form 355C, line 13; or Form 355S, line 15 . . . . . 10 **8000**

**Taxpayers Subject to Tax Under MGL Ch. 62**

11 Total tax for determining allowable credit. Form 1, line 27; Form 1-NR/PY, line 31; Form 2, line 40; Form 3F, line 24 . . . . . 11

12 Total of Limited Income Credit, Credit for Taxes Paid to Other Jurisdictions, Lead Paint Credit, Energy Credit, Full Employment Credit, Equal Opportunity Area Credit, Low-Income Housing Credit, Historic Rehabilitation Credit, Home Energy Efficiency Credit, Solar Heat Credit and Septic Credit, if any . . . . . 12

13 Subtract line 12 from line 11. Enter result. Not less than "0" . . . . . 13

14 Enter 50% of line 13 here . . . . . 14

15 Brownfields Credit available this year. Enter amount from line 9 . . . . . 15

16 Brownfields Credit allowable for use in current year. If line 14 is greater than or equal to line 15, enter amount from line 15. If line 14 is less than line 15, enter amount from line 14 . . . . . 16  
Enter amount from line 16 on Form 1, Schedule Z; Form 1-NR/PY, Schedule Z; Form 2, line 41; or Form 3F, line 28.

**Carryover to Future Years**

17 Maximum amount of credits for conversion to five-year carryover status:

Year	a. Unused credits from prior years and current year credit	b. Portion used this year	c. Unused credit available Subtract col. b from col. a	
			Amount	For
2001	(2004 Sch. BC, line 17) _____	_____	_____	2006
2002	(2004 Sch. BC, line 17) _____	_____	_____	2006-2007
2003	(2004 Sch. BC, line 17) _____	_____	_____	2006-2008
2004	(2004 Sch. BC, line 17) _____	_____	_____	2006-2009
2005	(2005 Sch. BC, line 8) <b>8000</b>	<b>8000</b>	<b>0</b>	2006-2010
18 Totals	<b>8000</b>	<b>8000</b>	<b>0</b>	

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# Schedule H-2 Recapture Offset Worksheet

2005  
Massachusetts  
Department of  
Revenue

## Part 1

### Year 1

		a. Credits available	b. Credits used	c. Credits unused	d. Unlimited carryovers	e. Three-year carryovers
1	Economic Opportunity Area Credit . . . . .	1				
2	Vanpool Credit . . . . .	2				
3	Low-Income Housing Credit . . . . .	3				
4	Brownfields Credit . . . . .	4				
5	Historic Rehabilitation Credit . . . . .	5				
6	Investment Tax Credit carryover which, if unused, will lapse this year . . .	6				
7	Investment Tax Credit carryover which, if unused, will lapse in one year . . . . .	7				
8	Investment Tax Credit carryover which, if unused, will lapse in two years . . . . .	8				
9	Current year Investment Tax Credit . . . . .	9				
10	Unlimited credit carryover from prior years . . . . .	10				
11	Total credits. Add lines 1 through 10 . . . . .	11				

### Year 2

		a. Credits available	b. Credits used	c. Credits unused	d. Unlimited carryovers	e. Three-year carryovers
12	Economic Opportunity Area Credit . . . . .	12				
13	Vanpool Credit . . . . .	13				
14	Low-Income Housing Credit . . . . .	14				
15	Brownfields Credit . . . . .	15				
16	Historic Rehabilitation Credit . . . . .	16			10000	
17	Investment Tax Credit carryover which, if unused, will lapse this year (from line 7e) . . . . .	17				
18	Investment Tax Credit carryover which, if unused, will lapse in one year (from line 8e) . . . . .	18				
19	Investment Tax Credit carryover which, if unused, will lapse in two years (from line 9e) . . . . .	19				
20	Current year Investment Tax Credit . . . . .	20				
21	Unlimited credit carryover from prior years (from line 11d) . . . . .	21				
22	Total credits. Add lines 12 through 21 . . . . .	22			10000	

### Year 3

		a. Credits available	b. Credits used	c. Credits unused	d. Unlimited carryovers	e. Three-year carryovers
23	Economic Opportunity Area Credit . . . . .	23				
24	Vanpool Credit . . . . .	24				
25	Low-Income Housing Credit . . . . .	25				
26	Brownfields Credit . . . . .	26				
27	Historic Rehabilitation Credit . . . . .	27	10000			
28	Investment Tax Credit carryover which, if unused, will lapse this year (from line 18e) . . . . .	28				
29	Investment Tax Credit carryover which, if unused, will lapse in one year (from line 19e) . . . . .	29				
30	Investment Tax Credit carryover which, if unused, will lapse in two years (from line 20e) . . . . .	30				
31	Current year Investment Tax Credit . . . . .	31				
32	Unlimited credit carryover from prior years (from line 22d) . . . . .	32	10000			
33	Total credits. Add lines 23 through 32 . . . . .	33	20000			



		a. Credits available	b. Credits used	c. Credits unused	d. Unlimited carryovers	e. Three-year carryovers
<b>Year 4</b>						
<b>34</b>	Economic Opportunity Area Credit . . . . .	<b>34</b>				
<b>35</b>	Vanpool Credit . . . . .	<b>35</b>				
<b>36</b>	Low-Income Housing Credit . . . . .	<b>36</b>				
<b>37</b>	Brownfields Credit . . . . .	<b>37</b>				
<b>38</b>	Historic Rehabilitation Credit . . . . .	<b>38</b>				
<b>39</b>	Investment Tax Credit carryover which, if unused, will lapse this year (from line 29e) . . . . .	<b>39</b>				
<b>40</b>	Investment Tax Credit carryover which, if unused, will lapse in one year (from line 30e) . . . . .	<b>40</b>				
<b>41</b>	Investment Tax Credit carryover which, if unused, will lapse in two years (from line 31e) . . . . .	<b>41</b>				
<b>42</b>	Current year Investment Tax Credit . . . . .	<b>42</b>				
<b>43</b>	Unlimited credit carryover from prior years (from line 33d) . . . . .	<b>43</b>				
<b>44</b>	Total credits. Add lines 34 through 43 . . . . .	<b>44</b>				

**Part 2**

<b>1</b>	Beginning balance of unlimited carryovers in Year 1 (from Part 1, line 10a) . . . . .	<b>1</b>	
<b>2</b>	Unlimited carryovers converted from Year 1 Investment Tax Credits. Add Part 1, lines 9d, 19d, 29d and 39d . . . . .	<b>2</b>	
<b>3</b>	Unlimited carryovers actually used during the period of Year 2 through Year 4. Add Part 1, lines 21b, 32b and 43b . . . . .	<b>3</b>	
<b>4</b>	Unlimited carryovers actually used during the period of Year 5 through the year of recapture (i.e., any credits used during this period that were unlimited carryover credits . . . . .	<b>4</b>	
<b>5</b>	Total of unlimited carryovers actually used, reduced by unlimited carryovers not related to the recapture property. Subtract line 1 from the total of lines 3 and 4. Not less than "0" . . . . .	<b>5</b>	
<b>6</b>	Unlimited carryovers actually used that relate to the recapture property (from line 5). Not more than line 2 . . . . .	<b>6</b>	

**Part 3**

<b>1</b>	Total current year Investment Tax Credit in Year 1 (from Part 1, line 9a) . . . . .	<b>1</b>	
<b>2</b>	Current year Investment Tax Credit in Year 1 which relates to the recapture property (from Schedule H-2, line 1) . . . . .	<b>2</b>	8556
<b>3</b>	Percentage of Investment Tax Credits in Year 1 which relates to recapture property. Divide line 2 by line 1 . . . . .	<b>3</b>	
<b>4</b>	Credits used. Add Part 1, lines 9b, 19b, 29b and 39b and Part 2, line 6 . . . . .	<b>4</b>	
<b>5</b>	Credits used related to recapture property. Multiply line 3 by line 4 . . . . .	<b>5</b>	
<b>6</b>	Credits not used related to recapture property. Subtract line 5 from line 2. Enter this amount here and in line 9 of Schedule H-2 . . . . .	<b>6</b>	8556

**Part 4**

<b>1</b>	Credits that have lapsed. Subtract Part 1, line 39d from Part 1, line 39c . . . . .	<b>1</b>	
<b>2</b>	Credits used (from Part 3, line 4) . . . . .	<b>2</b>	
<b>3</b>	Total current year Investment Tax Credit in Year 1 (from Part 1, line 9a) . . . . .	<b>3</b>	
<b>4</b>	Credits available in current year carryovers related to recapture property. Subtract lines 1 and 2 from line 3 and multiply the total by the percentage in Part 3, line 3 . . . . .	<b>4</b>	
<b>5</b>	Credits used to reduce recapture tax. Subtract Schedule H-2, line 10 from Schedule H-2, line 8 . . . . .	<b>5</b>	1426
<b>6</b>	Amount of credits to reduce current carryovers (from line 5, but not more than line 4) . . . . .	<b>6</b>	
<b>7</b>	If recapture has occurred in Year 2, reduce Part 1, line 19e by the amount in line 6. If recapture has occurred in Year 3, reduce Part 1, line 29e by the amount in line 6. Enter here the new 19e or 29e carryover balance, but not less than "0" . . . . .	<b>7</b>	
<b>8</b>	Any excess of line 6 should reduce any current unlimited carryover. Enter new unlimited carryover balance . . . . .	<b>8</b>	
<b>9</b>	If recapture has occurred in Year 4 or later, reduce current unlimited carryover by amount in line 6. Enter new unlimited carryover balance . . . . .	<b>9</b>	



**Schedule FEC**  
**Full Employment Credit**

**2005**

**Massachusetts**

**Department of**

**Revenue**

Name

Federal Identification or Social Security number

**PORCH SWINGS AND LAWN CHAIRS INC**

**40-5757575**

**General Information**

1 Type of business for which credit is being claimed (check only one):

- ☐ Sole proprietorship    ☐ Partnership    ☒ S corporation    ☐ Corporate trust    ☐ Financial institution  
☐ Insurance company    ☐ Corporation    ☐ Trust    ☐ Public service corporation  
☐ Corporation included in a combined return (enter name and Federal ID number of principal reporting company):

☐ Other (specify):

2 S Corporations only (check applicable box):    (a) ☐ Corporation claiming credit    (b) ☐ Shareholders claiming credit

3 Type of return this schedule is filed with: **FORM 355S**

**Computation of the Full Employment Credit.** Use additional paper, if necessary.

4 Name(s) of qualified employee(s) that participate in the Full Employment Program	a. Social Security number(s)	b. Date eligible	c. No. of months of eligible employment (not to exceed 12)	d. Number of months eligible (col. c) during 2005
<b>SEE ATTACHMENT</b>			<b>36</b>	<b>22</b>
5 Total number of months of eligible employment . . . . .			5	<b>22</b>
6 Available current-year Full Employment Credit (FEC). Multiply line 5 by \$100 . . . . .			6	<b>2200</b>

**Taxpayers Subject to Tax Under MGL Ch. 62**

7 Total tax for determining allowable credit. Form 1, line 27; Form 1-NR/PY, line 31; Form 2, line 40; Form 3F, line 24 . . . . .	7	
8 Total of other credits. See instructions . . . . .	8	
9 Subtract line 8 from line 7. Enter result. Not less than "0" . . . . .	9	
10 FEC available this year. Add line 6 and prior years unused FEC (from 2004 Schedule FEC, line 24) . . . . .	10	
11 Credit allowable for use in current year. If line 9 is less than line 10, enter amount from line 9; otherwise, enter amount from line 10. Also enter in Form 1 or Form 1-NR/PY, Schedule Z, line 11; Form 2, line 41; or Form 3F, line 27 . . . . .	11	

**Taxpayers Subject to Tax Under MGL Ch. 63**

12 Total corporate excise. Form 355, Computation of Excise, line 5; Form 355S, Computation of Excise, line 8; or Form 355C, Schedule E-CG, line 29; or Form 355SC, line 7 . . . . .	12	<b>320598</b>
13 Enter the amount from Schedule H, line 28, col. b . . . . .	13	<b>10000</b>
14 Enter the amount from either Schedule RC, line 26 or Schedule RC-A, line 30 . . . . .	14	<b>5000</b>
15 Enter the amount from Schedule HM, line 17 . . . . .	15	<b>6000</b>
16 Enter the amount of Low-Income Housing Credit . . . . .	16	<b>8100</b>
17 Enter the amount of Historic Rehabilitation Credit . . . . .	17	<b>500</b>
18 Enter the total of Home Energy Efficiency Credit and Solar Heat Credit . . . . .	18	<b>400</b>
19 Add lines 13 through 18. Enter result . . . . .	19	<b>30000</b>
20 Subtract line 19 from line 12. Enter result . . . . .	20	<b>290598</b>
21 Minimum corporate excise . . . . .	21	<b>456</b>
22 Maximum allowable FEC. Subtract line 21 from line 20. If "0" or less, you do not qualify for a credit this year, enter "0" in line 23 . . . . .	22	<b>290142</b>
23 FEC available this year. Add line 6 and prior year's unused FEC (from 2004 Schedule FEC, line 24) . . . . .	23	<b>7000</b>
24 Enter the smaller of line 22 or line 23 here and on the Computation of Excise . . . . .	24	<b>7000</b>

**Carryover to Future Years**

25 Complete only if line 10 is more than line 11 or line 22 is more than line 24.

Year	a. Unused credits from prior years and current year credit	b. Portion used this year	c. Unused credit available	
			Subtract col. b from col. a	
			Amount	For
2001	(2004 Sch. FEC, line 24)			2006
2002	(2004 Sch. FEC, line 24)			2006-2007
2003	(2004 Sch. FEC, line 24)			2006-2008
2004	(2004 Sch. FEC, line 24) <b>4800</b>	<b>4800</b>		2006-2009
2005	(2005 Sch. FEC, line 6) <b>2200</b>	<b>2200</b>		2006-2010
26 Totals	<b>7000</b>	<b>7000</b>		

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## Schedule HM

### Harbor Maintenance Tax Credit

Name \_\_\_\_\_

Federal Identification number

Check applicable box(es): ☐ Shipper ☐ Exporter ☐ Importer

**Current Year Harbor Maintenance Tax Credit.** Documentation must be provided upon request.

Massachusetts port	Date paid	a. Tax paid on port use for domestic movements of break-bulk and containerized cargo	b. Tax paid on port use for exports of break-bulk and containerized cargo	c. Tax paid on port use for imports of break-bulk and containerized cargo
<b>1</b> Total .....	<b>1</b>			

## Computation of Credit

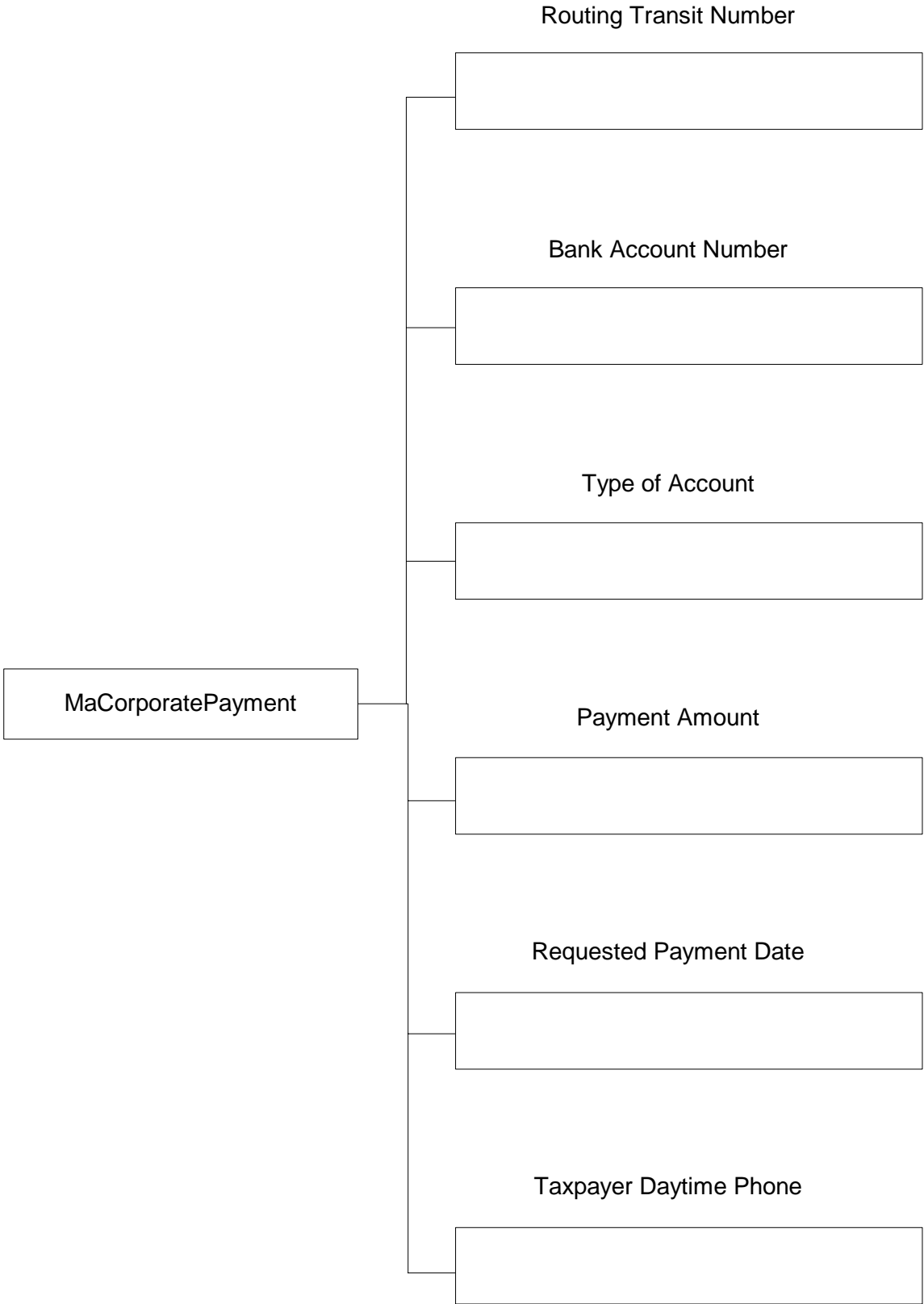
<b>2</b>	Total qualifying Harbor Maintenance taxes for this year. Add line 1, col's. a through c	<b>2</b>	
<b>3</b>	Enter unused credit from prior year (from line 17, 2004 Schedule HM)	<b>3</b>	
<b>4</b>	Massachusetts Harbor Maintenance Tax Credit available this year. Add lines 2 and 3	<b>4</b>	
<b>5</b>	Total corporate excise for purposes of determining allowable Harbor Maintenance Tax Credit. Form 355, Computation of Excise, line 5; Form 355S, Computation of Excise, line 8; or Form 355C, Schedule E-CG, line 29	<b>5</b>	
<b>6</b>	Enter the amount from Schedule H, line 28, col. b	<b>6</b>	
<b>7</b>	Enter the amount from Schedule RC, line 26 or Schedule RC-A, line 30.	<b>7</b>	
<b>8</b>	Enter the amount of Low Income Housing Credit	<b>8</b>	
<b>9</b>	Enter the amount from Schedule FEC, line 24	<b>9</b>	
<b>10</b>	Enter the amount from Schedule BC, line 10	<b>10</b>	
<b>11</b>	Enter the amount of Historic Rehabilitation Credit.	<b>11</b>	
<b>12</b>	Enter the total of Home Energy Efficiency Credit and Solar Heat Credit	<b>12</b>	
<b>13</b>	Add lines 6 through 12	<b>13</b>	
<b>14</b>	Subtract line 13 from line 5	<b>14</b>	
<b>15</b>	Minimum corporate excise.	<b>15</b>	456
<b>16</b>	Maximum allowable current year Harbor Maintenance Tax Credit. Subtract line 15 from line 14. If "0" or less, you do not qualify for a current year Harbor Maintenance Tax Credit, enter "0" in line 17 and complete lines 18 and 19	<b>16</b>	
<b>17</b>	Enter the smaller of line 4 or line 16 here and on the Computation of Excise	<b>17</b>	

### Carryover to Future Years

**18** Complete only if line 4 is more than line 16.

Year	a. Unused credits from prior years and current year credit	b. Portion used this year	c. Unused credit available Subtract col. b from col. a	
			Amount	For
2001	(2004 Sch. HM, line 16, col. c) _____	_____	_____	2006
2002	(2004 Sch. HM, line 16, col. c) _____	_____	_____	2006–2007
2003	(2004 Sch. HM, line 16, col. c) _____	_____	_____	2006–2008
2004	(2004 Sch. HM, line 16, col. c) _____	_____	_____	2006–2009
2005	(2005 Sch. HM, line 2) _____	_____	_____	2006–2010
<b>19 Totals</b>				









# Form M-2220

## Underpayment of Massachusetts Estimated Tax by Corporations

2005

**Massachusetts**  
**Department of**  
**Revenue**

Enclose this form with your return. Please print in ink or type.

Name of corporation \_\_\_\_\_

Federal Identification number \_\_\_\_\_

Check type of return to be filed: ☐ 355 ☐ 355C ☐ 355S ☐ Other \_\_\_\_\_**Figuring your underpayment.** See instructions.

1	2005 tax (from line 20, Forms 355 or 355C; line 23, Form 355S; or line 6, Form SBC). Commercial banks, insurance companies, and public service companies enter total excise due from return .....	
2	Enter 90% of line 1 .....	
3	Enter 90% of 2005 tax using 2004 income apportionment percentage .....	
4	Enter 2004 tax (from line 18, 2004 Forms 355 or 355C; line 21, 2004 Form 355S; or line 6, 2004 Form SBC). Large corporations or short taxable year corporations, see instructions .....	
5	Enter line 2, 3 or 4, whichever is smallest .....	
6	Enter in col's. a through d (respectively) the installment dates of the 15th day of the 3rd, 6th, 9th and 12th months of your taxable year	
7	Enter in col. a line 5 $\times$ 40% Enter in col. b line 5 $\times$ 25% Enter in col. c line 5 $\times$ 25% Enter in col. d line 5 $\times$ 10% .....	
	If you are a new corporation, <input type="checkbox"/> check and see instructions.	
8	Amount paid or credited for each period .....	
9	Overpayment of previous installment .....	
10	Total. Add lines 8 and 9 .....	
11	Overpayment. Subtract line 7 from line 10 .....	
12	Underpayment. Subtract line 10 from line 7 .....	

**Complete reverse to calculate underpayment penalty.**

### General Information

**Who should use this form.** Corporations taxed under Ch. 63 of the Massachusetts General Laws should use Form M-2220 to determine whether they paid the correct amount of estimated tax by the proper due date. If not, a penalty may be imposed on the underpayment amount.

**Short year.** Corporations are liable for estimated payments even if there was no return filed for 2004 or if a return filed for 2004 was for less than 12 months. Corporations meeting either of these conditions should enter the smaller of lines 2 or 3 in line 5. See Massachusetts Regulation 830 CMR 63B.2.2 for additional information.

**Large corporation.** Any corporation having \$1 million or more of federal taxable income in any of its three preceding taxable years (IRC Sec. 6655(g)) may **only** use its prior year tax liability to calculate its **first** quarterly estimated payment. Any reduction in the first installment payment must be added to the second installment payment.

**Note:** New corporations in their first full taxable year with less than 10 employees have lower payment percentages — 30-25-25-20%; 55-25-20%; and 80-20%. New corporations should check the box in line 7 and use these percentage amounts to complete line 7.

**Commercial banks, insurance companies and public service companies.** Enter in line 1 the **Total Excise Due** amount from the return being filed. Also, if an underpayment penalty is due, show this amount in the bottom margin of page 1 of your respective return as "underpayment penalty" and increase your total payment due or decrease excess payment to be refunded.

### Line Instructions

**Lines 7 through 12.** To determine the underpayment amount, complete lines 7 through 12 for each appropriate column. If line 11 shows an overpayment, that overpayment may first be used as a payment of any existing underpayment amount. Overpayments used as payments of prior underpayment amounts **do not** decrease the actual underpayment amount but serve to reduce instead the **period** of underpayment subject to penalty. If there are no existing underpayment amounts, the overpayment is applied as a credit against the next installment. If more than one payment is made for a given installment, attach separate computations for each payment.



**Figuring your underpayment penalty**

Enter same installment dates used in line 6 . . . . . ►

	a	b	c	d
<b>13</b> Amount of underpayment from line 12 . . . . .				
<b>14</b> Enter the date of payment or the 15th day of the 3rd month after the close of the taxable year, whichever is earlier . . . . .				
<b>15</b> Number of days from due date of installment to the date shown in line 14 . . . . .				
<b>16</b> Number of days in line 15 after 3/15/05 and before 4/1/05 . . . . .				
<b>17</b> Number of days in line 15 after 3/31/05 and before 7/1/05 . . . . .				
<b>18</b> Number of days in line 15 after 6/30/05 and before 10/1/05 . . . . .				
<b>19</b> Number of days in line 15 after 9/30/05 and before 1/1/06 . . . . .				
<b>20</b> Number of days in line 15 after 12/31/05 and before 4/1/06 . . . . .				
<b>21</b> Number of days in line 15 after 3/31/06 and before 7/1/06 . . . . .				
<b>22</b> Number of days in line 15 after 6/30/06 and before 10/1/06 . . . . .				
<b>23</b> Number of days in line 15 after 9/30/06 and before 1/1/07 . . . . .				
<b>24</b> Number of days in line 15 after 12/31/06 and before 2/16/07 . . . . .				
<b>25</b> Underpayment in line 13 × (number of days in line 16 ÷ 365) × 6% . . . . .				
<b>26</b> Underpayment in line 13 × (number of days in line 17 ÷ 365) × 7% . . . . .				
<b>27</b> Underpayment in line 13 × (number of days in line 18 ÷ 365) × 7% . . . . .				
<b>28</b> Underpayment in line 13 × (number of days in line 19 ÷ 365) × 8% . . . . .				
<b>29</b> Underpayment in line 13 × (number of days in line 20 ÷ 365) × 8% . . . . .				
<b>30</b> Underpayment in line 13 × (number of days in line 21 ÷ 365) × *% . . . . .				
<b>31</b> Underpayment in line 13 × (number of days in line 22 ÷ 365) × *% . . . . .				
<b>32</b> Underpayment in line 13 × (number of days in line 23 ÷ 365) × *% . . . . .				
<b>33</b> Underpayment in line 13 × (number of days in line 24 ÷ 365) × *% . . . . .				
<b>34</b> Add lines 25 through 33 . . . . .				
<b>35</b> Total of amounts shown in line 34. Enter this amount in line 30 of the excise calculation of Form 355 or Form 355C; line 33 of Form 355S; line 14 of Form 355SBC; or line 26 of Form 355SC . . . . . ►				

\*Rate to be determined.